

3 1761 11895070 8






















Digitized by the Internet Archive  
in 2024 with funding from  
University of Toronto

<https://archive.org/details/31761118950708>

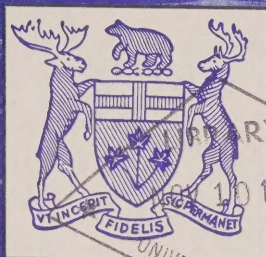


CA20N

RU

A56

45



# Annual Report

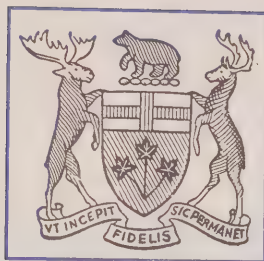
## 1970

DEPARTMENT OF REVENUE  
ONTARIO





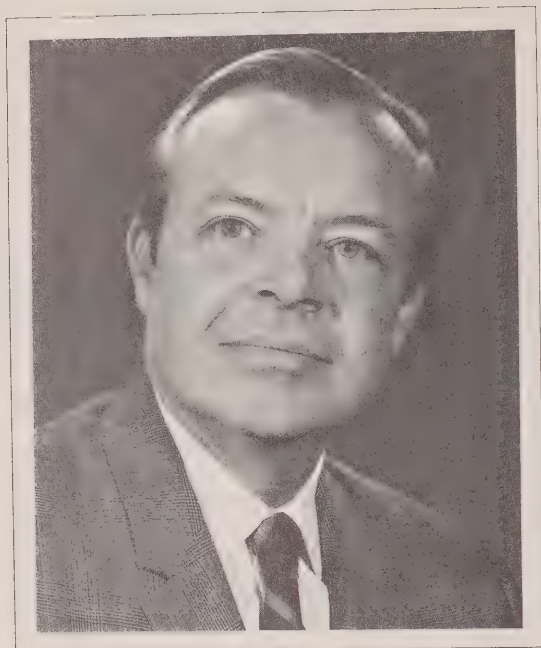




# Annual Report

FOR FISCAL YEAR ENDED  
MARCH 31, 1970

DEPARTMENT OF REVENUE  
ONTARIO



THE HONOURABLE JOHN WHITE  
*Minister of Revenue*





## FOREWORD BY THE MINISTER OF REVENUE

I am pleased to present the first Annual Report of the Department of Revenue. It covers the fiscal year ended March 31, 1970, the first full year of operation since the creation of the Department on July 23, 1968.

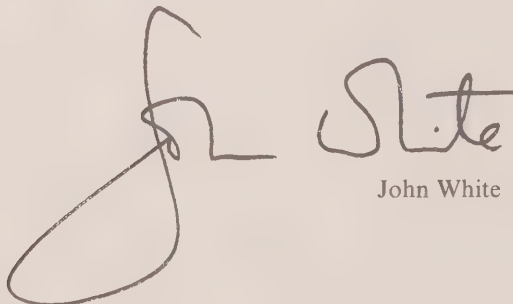
The Report is a review of the activities of the Department in discharging its responsibility for the administration of the major taxing statutes of the Province. It contains an outline of the functions and organization of the Department, presents the financial results of its operations, and sets out in some detail the principal features of the revenue statutes and the related procedures employed in their administration. A statistical supplement is included for those who require detailed data.

The Report highlights the administrative changes which have been introduced to improve efficiency and reduce operating costs wherever possible.

In conjunction with the new tax bulletins introduced in February 1970, the Report provides a more complete picture of current departmental activities than has previously been available. It is hoped that the various tables, charts and textual matter that it contains will prove useful and informative to legislators, researchers and others interested in tax administration and public finance.

I invite your suggestions for improving the format and contents of this Report.

Toronto, September 1970.



John White



# TABLE OF CONTENTS

MINISTER'S FOREWORD.....	iii
DIRECTORY.....	vi
FUNCTIONS AND ORGANIZATION.....	1
Organization Chart.....	4
REVENUE AND EXPENDITURE.....	5
Net General Revenue.....	5
Net General Expenditure.....	5
Cost of Collection.....	6
REVENUE SYSTEM.....	14
Corporations Tax Branch.....	14
Corporations Tax.....	14
Logging Tax.....	17
Gasoline Tax Branch.....	19
Gasoline Tax.....	19
Motor Vehicle Fuel Tax.....	21
Tobacco Tax.....	21
Retail Sales Tax Branch.....	23
Retail Sales Tax.....	23
Land Transfer Tax.....	24
Security Transfer Tax.....	25
Race Tracks Tax.....	25
Succession Duty Branch.....	26
Federal-Provincial Arrangements.....	28
Income Tax Collection Agreement.....	28
Share of Federal Estate Tax.....	29
Share of Income Tax on Certain Public Utilities.....	29
Tax Rental Agreement, 1952-56.....	29
DEPARTMENTAL ADMINISTRATION.....	30
PROVINCE OF ONTARIO SAVINGS OFFICE.....	32
RECENT LEGISLATION.....	33
Statutory Authority and Principal Features of Active Taxing Statutes.....	34
STATISTICAL SUPPLEMENT.....	41



## DIRECTORY

Minister of Revenue . . . . .	Hon. J. H. White
Executive Assistant to the Minister . . . . .	W. Lee
Deputy Minister . . . . .	H. H. Walker
Director, Legal Services Branch . . . . .	Miss S. J. Wychowanec
Director, Operational Audit Branch . . . . .	S. J. Deudney
Director, Province of Ontario Savings Office . . . . .	R. I. Nelson
Director, Research Branch . . . . .	W. J. Smithson

### REVENUE DIVISION

Comptroller of Revenue . . . . .	D. J. McClellan
Director, Corporations Tax Branch . . . . .	R. J. Weiers
Director, Gasoline Tax Branch . . . . .	J. Clayden
Director, Retail Sales Tax Branch . . . . .	S. Garland
Director, Succession Duty Branch . . . . .	I. Stephenson

### ADMINISTRATIVE DIVISION

Executive Director . . . . .	B. S. Crowley
Director, Accounts Branch . . . . .	J. S. Woods
Director, Office Services Branch . . . . .	V. P. Giuffre
Director, Personnel Branch . . . . .	W. E. Stanley
Director, Systems and Programming Branch . . . . .	N. Yurchuk
Librarian . . . . .	D. Tudor

## FUNCTIONS AND ORGANIZATION

### General

The Department of Revenue was established by The Department of Revenue Act, 1968, assented to June 13, 1968 and proclaimed on July 23, 1968. On October 10 of that year, the Honourable John H. White was sworn in as the first Minister responsible solely for the new Department. These actions were taken in reponse to a recommendation of the Report of the Ontario Committee on Taxation, 1967. They recognized that, previously, there existed two distinct areas of responsibility within the Department of Treasury and Economics, each of which merited separate ministerial attention to allow for greater specialization and proficiency.

In recommending the creation of the Department of Revenue, the Ontario Committee on Taxation pointed out that the growth and multiplication of government revenue sources poses new and difficult problems in public administration and in the field of civil rights. The Committee felt that "a revenue department would emphasize, by the very fact of its distinct departmental status, responsibility for the efficient and equitable administration of tax statutes. In addition, separating tax policy formulation from tax administration would enhance in the public eye the importance that government attaches to revenue-raising policy and would enable Treasury Department to concentrate its attention on broad questions of fiscal and economic policy".

### Functions

The primary function of the Department is to administer the principal revenue statutes of the Province of Ontario. The Department of Revenue Act assigns to the Minister of Revenue responsibility for the administration of that Act, the tax Acts enumerated therein, and any Acts that are assigned to him by the Legislature or by the Lieutenant Governor in Council. With the repeal of The Hospitals Tax Act and its integration with The Retail Sales Tax Act on April 1, 1969, there are now eleven active revenue statutes for which the Minister is responsible. Ten of these statutes are administered directly by the Department, while the individual income tax imposed under The Income Tax Act, 1961-62 is collected for and on behalf of the Province by the Department of National Revenue under a tax collection agreement between Ontario and Canada.

The revenue of the Department includes receipts from other sources not directly administered by the Department. The largest of these is the revenue remitted by the Liquor Control Board of Ontario from the profits, gallonage fees and other receipts derived from the sale and control of alcoholic beverages. The remaining sources represent payments under arrangements with the Government of Canada of the Province's share of federal collections of estate tax and of corporation income tax from certain public utility companies whose main business is the distribution to, or generation for distribution to, the public of electrical energy, gas and steam.

In addition, the Department is responsible for the administration of the Province of Ontario Savings Office. Under the authority of The Agricultural Development Finance Act, the Savings Office accepts deposits and operates savings accounts on which withdrawals may be made by cheque. At present, there are twenty-one offices located in fifteen centres across Ontario.

## Organization

The organizational structure through which these functions are performed consists of two divisions—Administrative and Revenue—three staff branches, and the Province of Ontario Savings Office. All are under the direction of the Minister and the Deputy Minister of Revenue.

The Administrative Division under the supervision of the Executive Director provides general administrative services for the Department. It is composed of the Accounts Branch, the Office Services Branch, the Personnel Branch, the Systems and Programming Branch, and the Library. In order to achieve greater efficiency and economy of operation, most of these services are shared with the Department of Treasury and Economics and the Treasury Board Secretariat.

The Revenue Division is responsible for the collection of revenue accruing to the Province under the provisions of the ten tax or revenue Acts which are directly administered by the Department. It consists of four tax branches under the supervision of the Comptroller of Revenue. Corporations taxes and logging tax are administered and collected by the Corporations Tax Branch; gasoline tax, motor vehicle fuel tax and tobacco tax by the Gasoline Tax Branch; retail sales tax, race tracks tax, land transfer tax and security transfer tax by the Retail Sales Tax Branch; and succession duty by the Succession Duty Branch. As a service to the Department of Justice, the Corporations Tax Branch collects the tax on fire insurance premiums imposed under The Fire Marshals Act, and the amount of tax so collected is transferred to that Department.

In addition to the Province of Ontario Savings Office referred to above, the organizational structure includes three staff branches which perform specialized professional services to assist in the general administration and management of the Department. These are the Legal Services Branch which provides legal services for the Department of Revenue and the Department of Treasury and Economics; the Operational Audit Branch which evaluates and appraises the soundness and adequacy of operational activities; and the Research Branch which prepares management information and undertakes special studies.

Further details concerning the activities of the divisions and the various branches are set out in subsequent sections of the Annual Report.

## **FUNCTIONS BY ORGANIZATIONAL UNITS**

**MINISTER OF REVENUE**—Member of the Executive Council.—Responsibilities as assigned under The Department of Revenue Act.

**DEPUTY MINISTER OF REVENUE**—Advises the Minister on policy matters. Co-ordinates and manages the activities of the Department.

**LEGAL SERVICES BRANCH**—Provides legal services for the Departments of Revenue, and Treasury and Economics. Handles litigation involving taxation.

**OPERATIONAL AUDIT BRANCH**—Revises and appraises soundness, adequacy and application of accounting, financial and operational controls.

**RESEARCH BRANCH**—Prepares management information and statistics, provides revenue forecasts, and undertakes special studies.

**PROVINCE OF ONTARIO SAVINGS OFFICE**—Accepts interest-bearing deposits and operates savings accounts on which withdrawals may be made by cheque.

### **Administrative Division**

**EXECUTIVE DIRECTOR**—Administers and is responsible for the Administrative Division.

**ACCOUNTS BRANCH**—Provides accounting services for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

**OFFICE SERVICES BRANCH**—Provides mailing, purchasing, filing and similar services for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

**PERSONNEL BRANCH**—Administers personnel services for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

**SYSTEMS AND PROGRAMMING BRANCH**—Provides system and programming services for the Department of Revenue. Performs special services and studies in data processing, forms design and control, and records management.

**LIBRARY**—Provides library facilities for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

### **Revenue Division**

**COMPTROLLER OF REVENUE**—Administers and is responsible for the Revenue Division.

**CORPORATIONS TAX BRANCH**—Administers and enforces The Corporations Tax Act and The Logging Tax Act.

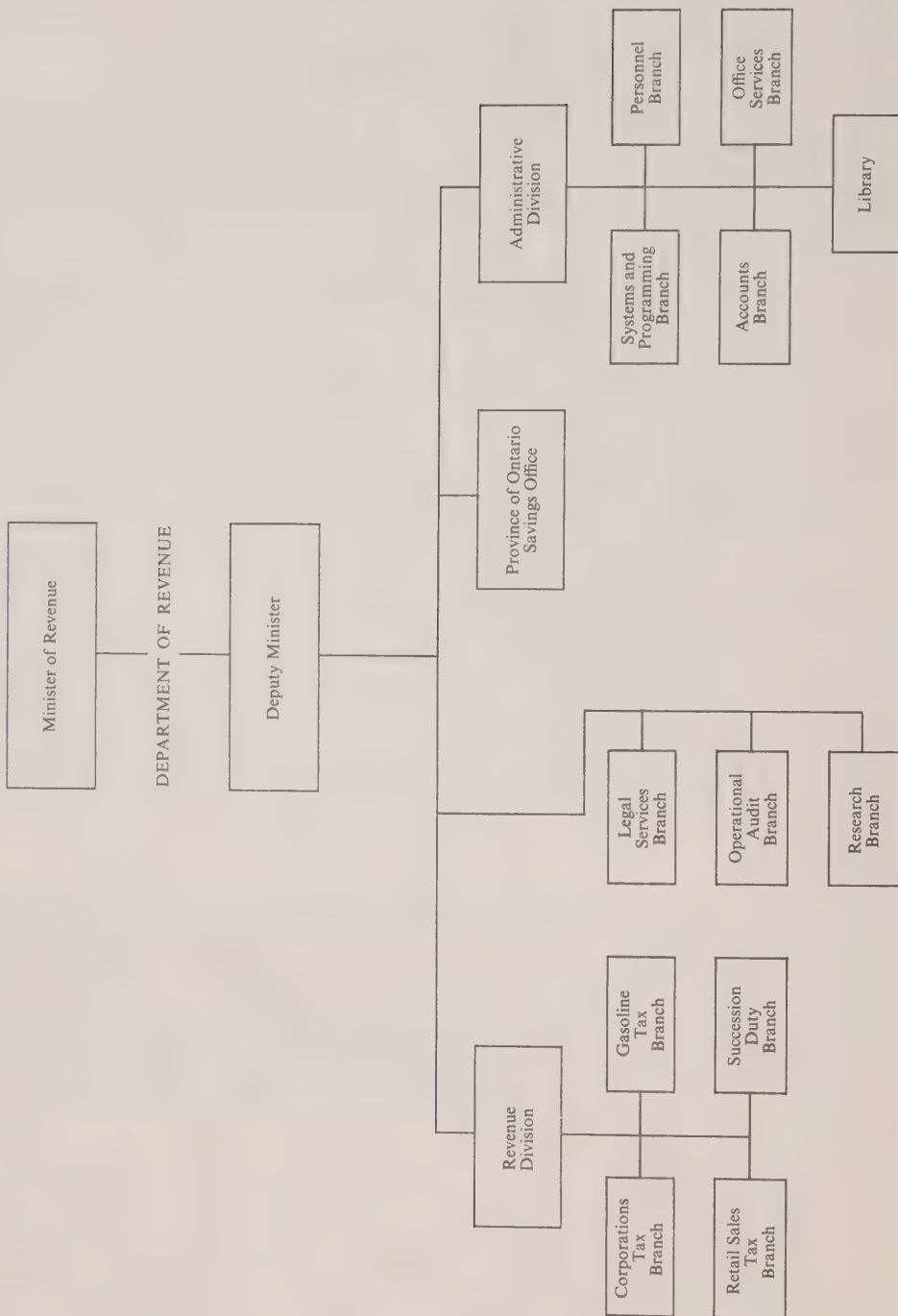
**GASOLINE TAX BRANCH**—Administers and enforces The Gasoline Tax Act, The Motor Vehicle Fuel Tax Act and The Tobacco Tax Act.

**RETAIL SALES TAX BRANCH**—Administers and enforces The Retail Sales Tax Act, The Security Transfer Tax Act, The Land Transfer Tax Act and The Race Tracks Tax Act.

**SUCCESSION DUTY BRANCH**—Administers and enforces The Succession Duty Act.



# ORGANIZATION CHART



## REVENUE AND EXPENDITURE

### NET GENERAL REVENUE

The net general revenue of the Department amounted to \$2,671.8 million in the fiscal year 1969-70 and accounted for over four-fifths of the net general revenue of the Province. Of the departmental total, \$2,458.4 million or 92.0 per cent was derived from taxes and fees imposed under revenue statutes for which the Minister of Revenue is responsible. This amount consisted of \$1,696.3 million from taxes and fees directly administered by the Department of Revenue and \$762.1 million from the personal income tax collection agreement with the Government of Canada. The remainder of the departmental total represented payments of \$178.7 million from the Liquor Control Board of Ontario and \$34.7 million from the Government of Canada as the Province's share of certain taxes imposed and collected by Canada.

In total, departmental net general revenue increased in the fiscal year 1969-70 by \$476.2 million or 21.7 per cent over the \$2,195.6 million collected in the preceding fiscal year. The increase was due mainly to higher levels of incomes and spending and partly to various changes in the tax structure made during 1969.

The personal income tax collection agreement remained the largest source of revenue and accounted for a significant proportion of the overall revenue increase. Receipts from this source rose by \$141.6 million or 22.8 per cent to \$762.1 million or 28.5 per cent of departmental revenue compared with \$620.5 million or 28.2 per cent in the fiscal year 1968-69.

The retail sales tax was the second largest source of revenue and recorded the largest increase, rising by \$151.7 million or 31.2 per cent from \$485.6 million to \$637.3 million. The increase occurred as a net result of several factors, principally higher levels of consumer and business spending, elimination of the exemption for production machinery and equipment, a higher rate of tax on alcoholic beverages and on meals over \$2.50, and the integration of the hospitals tax with the retail sales tax. The latter factor accounted for the decline in the hospitals tax to \$838,000 from \$10.4 million in the preceding fiscal year.

The corporations tax regained its position as the third largest source of revenue. Its yield increased by \$144.2 million or 43.3 per cent to \$477.2 million from \$333.0 million in the preceding fiscal year. The principal reasons for the increase were the higher levels of corporate profits upon which the instalment and final payments were based, and the once-for-all gain arising from the acceleration of instalment payments. A third but less significant factor contributing to the increase was the doubling of the capital tax from 1/20 to 1/10 of 1 per cent.

Other notable changes included increases in gasoline tax of \$24.7 million to \$361.9 million and in tobacco tax of \$17.5 million to \$71.7 million. Revenue from the Liquor Control Board declined by \$13.8 million from the unusually high level of \$192.6 million reached in the preceding year as a result of exceptional circumstances.

### NET GENERAL EXPENDITURE

In the fiscal year 1969-70, the net general expenditure of the Department amounted to nearly \$10.4 million, after deducting the reimbursement of advances for operating expenses of \$1.4 million to the Province of Ontario Savings Office. This is an increase of \$852,000 or 9.0 per cent over the expenditure in the preceding fiscal year of \$9.5 million.

The major increase was in the Collection of Taxes Program which represents the spending of the Revenue Division. It rose by \$539,000 to nearly \$8.5 million, the increase being due almost entirely to general salary revisions.

The Departmental Administration Program, which comprises the remainder of the Department, increased by \$313,000 to \$1.9 million. The major factor accounting for this increase was the centralization in the Office Services Branch of the spending of the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat on common stationery items and office supplies. Other contributing factors were the general salary revisions and the increase in charges for computer services.

## **COST OF COLLECTION OF TAXES**

The total cost of collection of taxes directly administered by the Department of Revenue amounted in the fiscal year 1969-70 to an estimated \$24.0 million, consisting of \$11.1 million for departmental costs and \$12.9 million for remuneration to vendors and tax collectors. The amount shown for departmental costs includes all costs of the Department of Revenue related to the collection of taxes plus the cost of space and employee benefits borne by other departments of government. The corresponding costs in the preceding fiscal year were \$10.3 million for departmental costs and \$12.1 million for remuneration to vendors and tax collectors for a total cost of \$22.4 million.

As the yield of the taxes increased during the fiscal year 1969-70 at a higher rate than the cost of collection, the cost per \$100 of net revenue before and after the inclusion of remuneration to vendors and tax collectors fell from 76 cents to 66 cents and from \$1.65 to \$1.42 respectively.

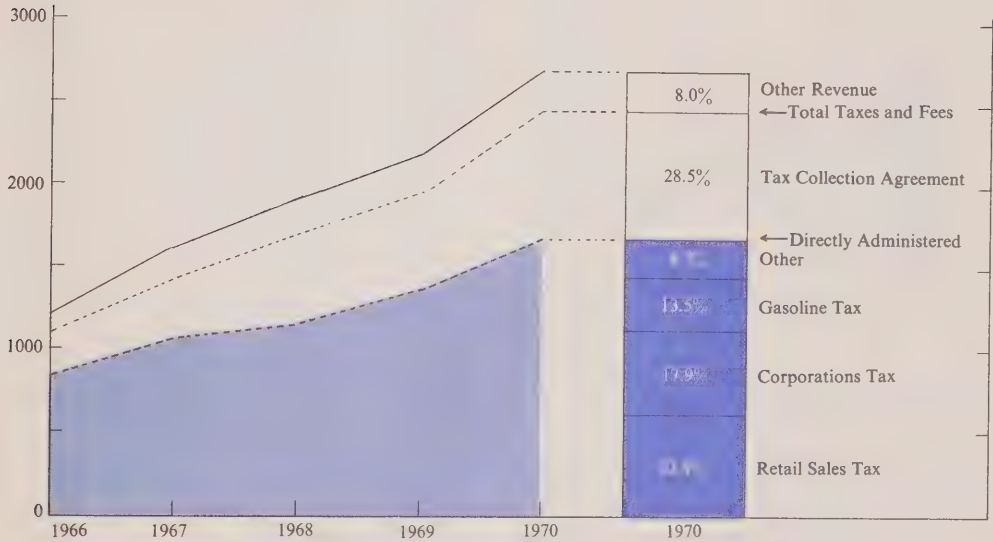
In a subsequent table the cost of collection is shown for each of the taxes directly administered by the Department. Since general administrative services relate to all taxes and various collection procedures are integrated, the allocation by tax has required the making of certain estimates and assumptions. The resultant data are believed to be reasonably accurate, although in the case of taxes with relatively low yields the accuracy may not be of a high order. In assessing the results for cost per \$100 of net revenue, it should be remembered that some taxes, because of their complexity, scope, and the manner in which they must be administered, are relatively more costly to collect.



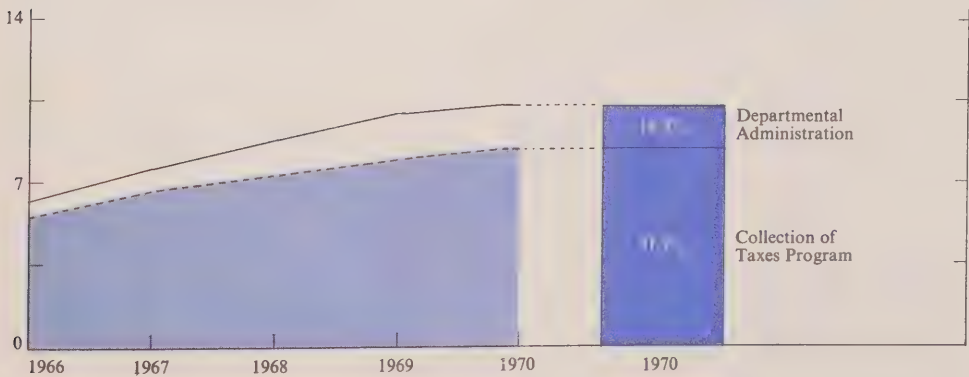
## REVENUE AND EXPENDITURE

Fiscal Years Ended March 31, 1966 to 1970

### NET GENERAL REVENUE (Millions of Dollars)



### NET GENERAL EXPENDITURE (Millions of Dollars)



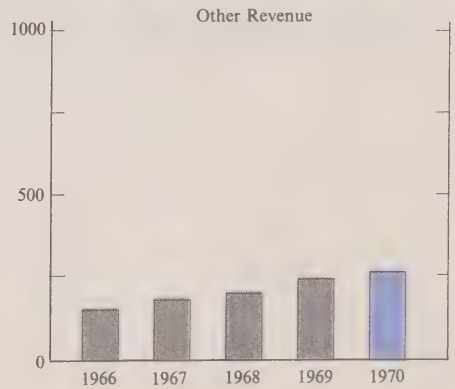
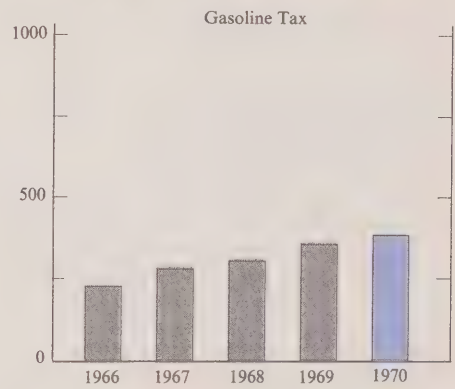
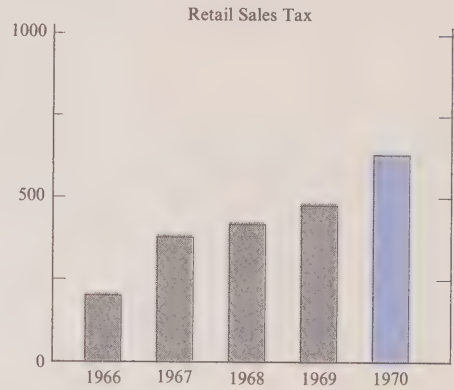
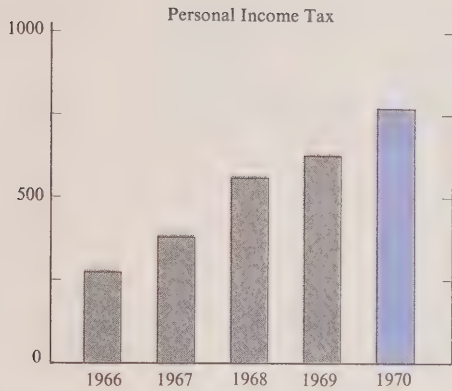
## NET GENERAL REVENUE

Fiscal Years Ended March 31, 1970 and 1969  
(Thousands of Dollars)

	1970		1969		Increase or (Decrease)
	Amount	Per Cent of Net Revenue	Amount	Per Cent of Net Revenue	
<b>Taxes and Fees</b>					
Income Tax Collection Agreement	762,086	28.5	620,476	28.2	141,610
Retail Sales Tax.....	637,264	23.9	485,588	22.1	151,676
Corporations Tax.....	477,173	17.9	332,964	15.2	144,209
Gasoline Tax.....	361,937	13.5	337,284	15.3	24,653
Succession Duty.....	73,182	2.7	68,472	3.1	4,710
Tobacco Tax.....	71,695	2.7	54,220	2.5	17,475
Motor Vehicle Fuel Tax.....	29,840	1.1	26,298	1.2	3,542
Race Tracks Tax.....	20,873	.8	18,999	.9	1,874
Land Transfer Tax.....	14,548	.5	12,567	.6	1,981
Hospitals Tax.....	838	—	10,439	.5	(9,601)
Security Transfer Tax.....	6,962	.3	7,374	.3	(412)
Logging Tax.....	1,977	.1	1,444	.1	533
Fees, etc.....	4	—	3	—	1
Total Taxes and Fees.....	2,458,379	92.0	1,976,128	90.0	482,251
<b>Liquor Control Board of Ontario</b>					
Profits, Gallonage Fees, etc.....	178,741	6.7	192,577	8.8	(13,836)
<b>Government of Canada</b>					
Share of Federal Estate Tax.....	26,818	1.0	21,677	1.0	5,141
Share of Federal Income Tax on Certain Public Utilities.....	8,795	.3	5,463	.2	3,332
Tax Rental Agreement, 1952-56...	(925)	—	(213)	—	(712)
Government of Canada.....	34,688	1.3	26,927	1.2	7,761
<b>Reimbursement of Expenditure</b>					
Province of Ontario Savings Office Refund—Advances for Operating Expenses...	1,419		1,270		149
Gross General Revenue.....	2,673,227		2,196,902		476,325
<b>Deduct—Reimbursement of Expenditure</b>					
	1,419		1,270		149
Net General Revenue.....	2,671,808	100.0	2,195,632	100.0	476,176

## NET GENERAL REVENUE BY MAJOR SOURCES

Fiscal Years Ended March 31, 1966 to 1970  
(Millions of Dollars)





## NET GENERAL EXPENDITURE<sup>1</sup>

Fiscal Years Ended March 31, 1970 and 1969  
(Thousands of Dollars)

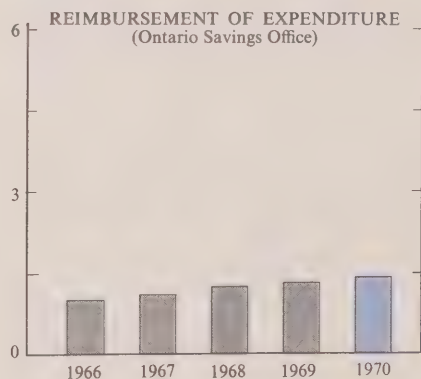
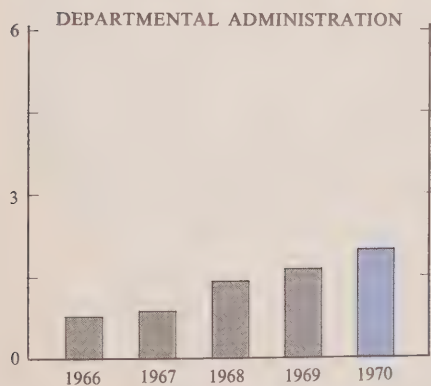
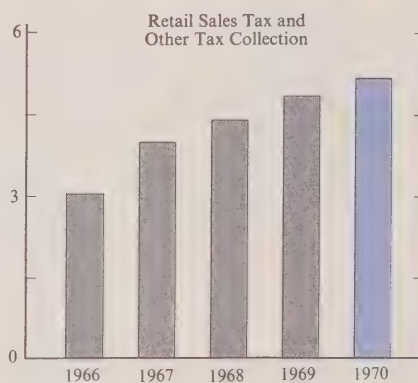
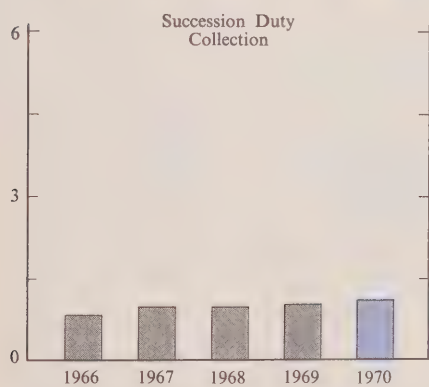
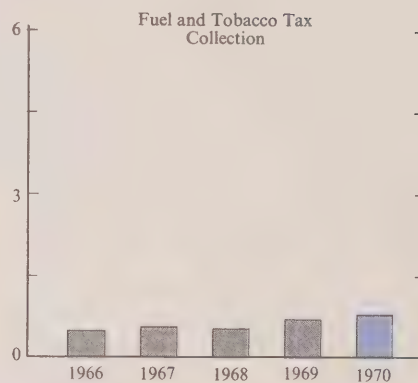
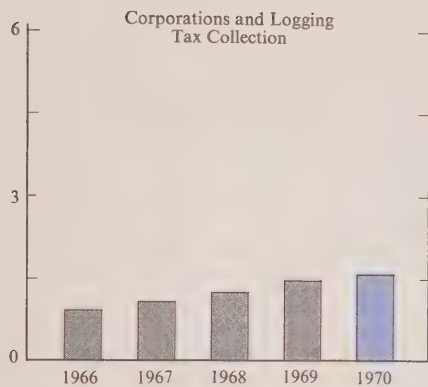
	1970		1969		Increase
	<i>Amount</i>	<i>Per Cent Of Net Expenditure</i>	<i>Amount</i>	<i>Per Cent Of Net Expenditure</i>	
<b>Collection of Taxes Program</b>					
Corporations and Logging Tax					
Collection.....	1,554	15.0	1,453	15.3	101
Fuel and Tobacco Tax Collection ..	731	7.0	669	7.0	62
Succession Duty Collection.....	1,020	9.8	1,000	10.5	20
Retail Sales Tax and Other Tax					
Collection.....	5,061	48.9	4,719	49.7	342
Program Administration.....	97	1.0	83	.9	14
	<u>8,463</u>	<u>81.7</u>	<u>7,924</u>	<u>83.4</u>	<u>539</u>
<b>Departmental Administration.....</b>	1,893	18.3	1,580	16.6	313
<b>Reimbursement of Expenditure</b>					
Province of Ontario Savings Office					
Refund—Advances for					
Operating Expenses....	1,419	—	1,270	—	149
<b>Gross General Expenditure.....</b>	<u>11,775</u>	<u>—</u>	<u>10,774</u>	<u>—</u>	<u>1,001</u>
<b>Deduct—Reimbursement of</b>					
Expenditure.....	1,419	—	1,270	—	149
<b>Net General Expenditure.....</b>	<u><u>10,356</u></u>	<u><u>100.0</u></u>	<u><u>9,504</u></u>	<u><u>100.0</u></u>	<u><u>852</u></u>

<sup>1</sup>Data for the fiscal years shown are comparable, although these programs were carried out by Treasury Department prior to the proclamation of The Department of Revenue Act on July 23, 1968.

## EXPENDITURE BY ACTIVITIES

Fiscal Years Ended March 31, 1966 to 1970  
(Millions of Dollars)

### COLLECTION OF TAXES PROGRAM



## COST OF COLLECTION OF TAXES<sup>1</sup>

Fiscal Years Ended March 31, 1970 and 1969

### COST OF COLLECTION (Thousands of Dollars)

	<i>Departmental, Space and Employee Benefits</i>		<i>Remuneration</i>		<i>Total Cost</i>	
	<i>1970</i>	<i>1969</i>	<i>1970</i>	<i>1969</i>	<i>1970</i>	<i>1969</i>
Retail Sales Tax . . . . .	6,379	5,620	8,020	7,500	14,399	13,120
Corporations Tax . . . . .	2,158	1,984	—	—	2,158	1,984
Gasoline Tax . . . . .	524	476	2,227	2,093	2,751	2,569
Succession Duty . . . . .	1,329	1,289	—	—	1,329	1,289
Tobacco Tax . . . . .	199	181	1,288	1,014	1,487	1,195
Motor Vehicle Fuel Tax . . . . .	217	199	582	507	799	706
Race Tracks Tax . . . . .	31	27	642	588	673	615
Land Transfer Tax . . . . .	31	28	—	—	31	28
Hospitals Tax <sup>2</sup> . . . . .	—	236	—	268	—	504
Security Transfer Tax . . . . .	191	183	123	120	314	303
Logging Tax . . . . .	104	97	—	—	104	97
All Taxes . . . . .	<u>11,163</u>	<u>10,320</u>	<u>12,882</u>	<u>12,090</u>	<u>24,045</u>	<u>22,410</u>

### COST PER \$100 OF NET REVENUE

	<i>Cost per \$100 of Net Revenue<sup>3</sup></i>					
	<i>Net Revenue</i>		<i>Excluding Remuneration</i>		<i>Including Remuneration</i>	
	<i>1970</i>	<i>1969</i>	<i>1970</i>	<i>1969</i>	<i>1970</i>	<i>1969</i>
	<i>\$000</i>	<i>\$000</i>	<i>(Dollars)</i>			
Retail Sales Tax . . . . .	638,102	485,588	1.00	1.16	2.26	2.70
Corporations Tax . . . . .	477,173	332,964	.45	.60	.45	.60
Gasoline Tax . . . . .	361,937	337,284	.14	.14	.76	.76
Succession Duty . . . . .	73,182	68,472	1.82	1.88	1.82	1.88
Tobacco Tax . . . . .	71,695	54,220	.28	.33	2.07	2.20
Motor Vehicle Fuel Tax . . . . .	29,840	26,298	.73	.76	2.68	2.68
Race Tracks Tax . . . . .	20,873	18,999	.15	.14	3.22	3.24
Land Transfer Tax . . . . .	14,548	12,567	.21	.22	.21	.22
Hospitals Tax <sup>2</sup> . . . . .	—	10,439	—	2.26	—	4.83
Security Transfer Tax . . . . .	6,962	7,374	2.74	2.48	4.51	4.11
Logging Tax . . . . .	1,977	1,444	5.26	6.72	5.26	6.72
All Taxes . . . . .	<u>1,696,289</u>	<u>1,355,649</u>	<u>.66</u>	<u>.76</u>	<u>1.42</u>	<u>1.65</u>

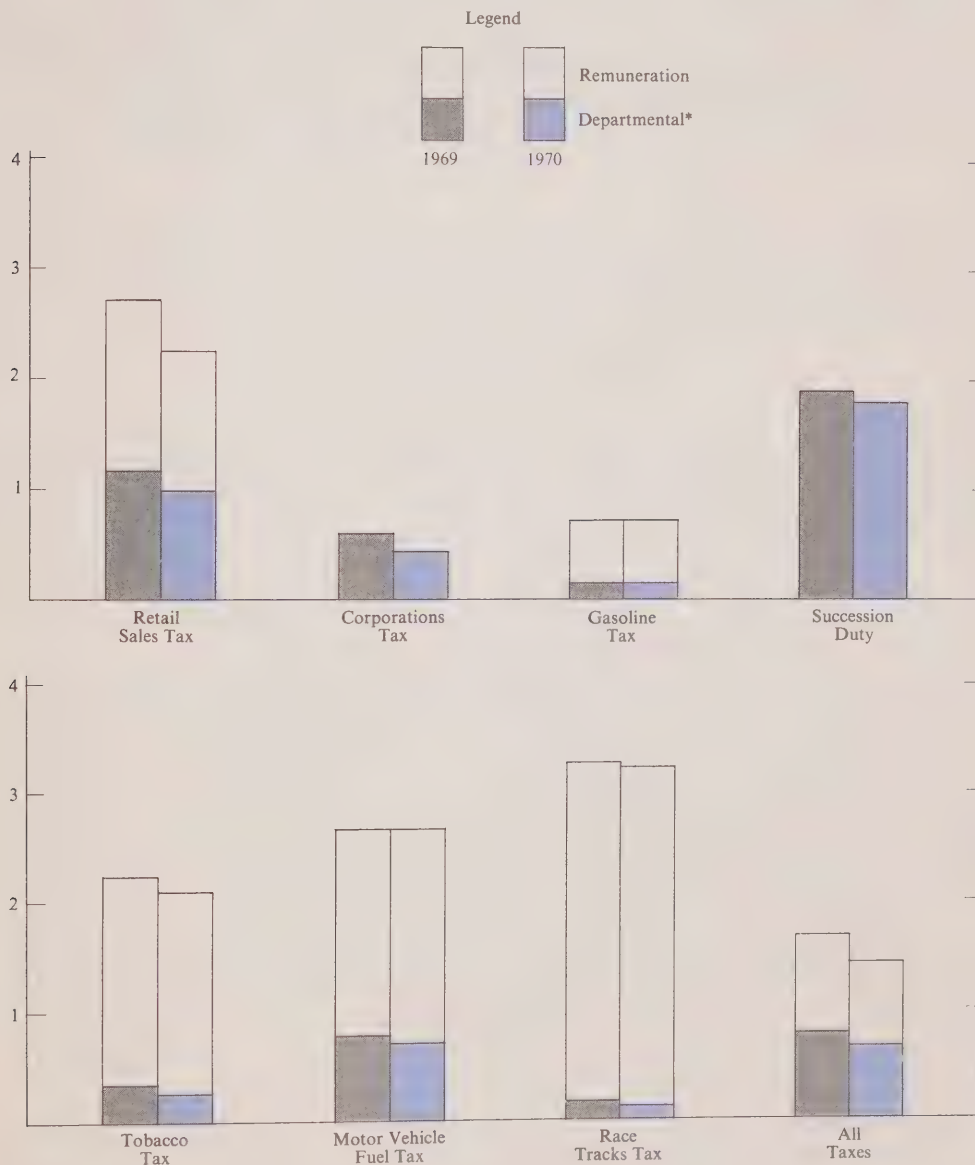
<sup>1</sup>Despite care to produce reasonably accurate data, the accuracy in the case of taxes with low yields may not be of a high order.

<sup>2</sup>Hospitals tax included with retail sales tax for fiscal year 1969-70.

<sup>3</sup>Since net revenue is after remuneration and refunds, the difference between the cost including and excluding remuneration will be larger than the remuneration rates allowed to vendors and collectors.

# **COST OF COLLECTION OF SELECTED TAXES IN DOLLARS PER \$100 OF NET REVENUE**

Fiscal Years Ended March 31, 1969 and 1970



\*Includes space and employee benefits.



## REVENUE SYSTEM

Several important amendments to the taxing statutes assigned to the Minister, and numerous operational and administrative improvements were effected in the Department's first full year of operation. This part of the Report presents the more significant of these changes together with some brief background relating to each tax. The material is organized by tax under each administering branch and is followed by a brief description of the current federal-provincial tax arrangements as they affect departmental revenue. Revenues from the control and sale of alcoholic beverages which are collected and remitted by the Liquor Control Board of Ontario are not dealt with here as they are detailed in the Annual Report of the Board.

### CORPORATIONS TAX BRANCH

#### CORPORATIONS TAX

The Corporations Tax Act imposes a tax of 12 per cent on the taxable income of corporations and a tax of  $\frac{1}{10}$  of 1 per cent on their taxable capital. Special taxes are imposed on certain corporations in place of the above capital tax. These are a tax on banks of  $\frac{1}{5}$  of 1 per cent on the paid-up capital stock and  $\frac{1}{10}$  of 1 per cent on the reserve fund and undivided profits plus a tax on offices; a tax on railway track mileage; a tax of 1 per cent on investment in plant of a telegraph company; a track mileage tax on express companies; a tax of 1 per cent on the investment in equipment of a pullman car company; and a tax of 2 per cent on insurance companies, computed by reference to premiums.

The special taxes levied on particular corporations date back to The Supplementary Revenue Act of 1899, and are still computed on much the same bases. The regular capital tax applicable to most corporations was imposed in 1930 at the rate of  $\frac{1}{10}$  of 1 per cent, and in the following year corporations were made subject for the first time to a general place of business tax and an income tax of 1 per cent. The capital tax was  $\frac{1}{10}$  of 1 per cent to 1938 after which it was reduced to  $\frac{1}{20}$  of 1 per cent where it remained to 1968, with the exception of the years 1941 to 1946 and 1952 to 1956 when the corporations tax field was rented to the federal government. The income tax was increased from 1 per cent to 2 per cent in 1939, further increased to 5 per cent retroactive to 1939 by a 1940 statute, and then suspended from 1941 to 1946 under the wartime tax agreement. In the post-war period, the income tax was 7 per cent from 1947 to 1951, suspended for five years under a tax rental agreement, and then increased to 11 per cent in 1957 and 12 per cent in 1967.

#### Amendments

Two bills to amend The Corporations Tax Act were passed in 1969 containing a total of 44 amendments. Only the amendments that are of more general interest or which substantially alter the tax structure will be discussed.

## CAPITAL TAX

Two of the most important amendments affected capital tax. One of these changed the rate of tax from 1/20 of 1 per cent to 1/10 of 1 per cent of taxable capital. The other repealed a provision which had permitted capital tax to be reduced by the amount of income tax payable. Together, these two amendments will cause a significant increase in corporations tax revenue.

Another amendment, which will cause a small reduction in capital tax receipts, permits for the first time a reduction of capital tax payable so that the tax is proportionate to the length of the fiscal year for which the tax is paid.

Co-operatives were formerly exempt from capital tax. This exemption has now been removed and co-operatives will pay the capital tax at the same rate as most other corporations, namely, 1/10 of 1 per cent on taxable capital.

## PLACE OF BUSINESS TAX REPEALED

The general place of business tax which had been in effect since 1931 was repealed. There had also been in effect since 1931 a minimum tax of \$20 for capital and place of business taxes combined, with the exception that certain non-profit and charitable organizations paid a minimum tax of \$5. The minimum tax has now been increased to a \$50 capital tax with the \$5 minimum for non-profit and charitable organizations still in effect.

## INCOME TAX

One 1969 amendment provided for a corporation with the controlling shareholder resident anywhere in Canada to qualify as a personal corporation for purposes of the Ontario Act. Previously, the controlling shareholder was required to reside in Ontario for this purpose. This conforms to the Income Tax Act (Canada).

An amendment was added in respect of corporations incorporated in foreign jurisdictions where the foreign jurisdictions have a tax convention with Canada. Many of these corporations held property in Ontario but were not taxable if they did not actually have a place of business in Ontario. The new section provides that such corporations are now taxable by Ontario if they elect under the Income Tax Act (Canada) to be taxed on their profit from the property rather than paying a 15 per cent withholding tax on gross revenue. Such corporations previously enjoyed an abatement for provincial taxes under the Income Tax Act (Canada) but paradoxically did not pay a corresponding tax to the Province.

A section was also added with regard to transfers of rights to income. The Act now conforms to the federal Act in this regard.

Certain government grants are not included in the capital cost of property purchased with the grants so that the taxpayer cannot claim a capital cost allowance against his income in respect of the amount of the grant; however, in the case of grants under the Area Development Incentives Act (Canada) and the Industrial Research and Development Incentives Act (Canada), the grant has been permitted to be included in capital cost. The section permitting this inclusion has now been amended to further include a grant authorized to be paid under an Appropriation Act (Canada). This change conforms to the Income Tax Act (Canada).

A regulation was filed on December 31, 1969 to deal with special payments into pension plans in respect of past services. The effect is to accept such payments provided they have been approved by the Minister of National Revenue. The need for this was created by the institution in 1963 and later years of large numbers of executive-pension plans which called for payments in amounts of hundreds of thousands of dollars.

## PAYMENTS

Among the changes was an amendment to provide for payment of estimated tax in six bi-monthly instalments rather than four quarterly payments as previously. The first instalment is now due on the 15th day of the third month of the fiscal year whereas, previously, it was due on the 15th day of the fifth month. The last instalment is now due on the 15th day of the first month following the close of the fiscal year whereas, previously, it was due on the 15th day of the second month after the close of the fiscal year. The effect is to accelerate the receipt of tax.

Another change in the instalment payment rules was to provide that where tax is less than \$300 (formerly \$81) it may now be paid on the last instalment date without incurring interest charges. The effect is to reduce the volume of work to be handled and to lessen inconvenience to the taxpayers. This, along with the repeal of the place of business tax, has resulted in a substantial net reduction in the cost of administration.

Taxes owing under The Corporations Tax Act are a first lien and charge on corporation property. The Act has now been amended to qualify the Province's priority position which is now stated to be subject to the Bankruptcy Act.

## Reassessment

In the fiscal year ended March 31, 1970, the gross increase in tax on reassessments amounted to \$13.2 million. This was offset by decreases in tax of \$11.1 million, of which \$5.0 million arose from reductions of taxable income by the carrying back of subsequent years' losses. Thus, the net increase in tax on reassessments was \$2.1 million. In the preceding fiscal year, gross increases of \$10.9 million were offset by decreases of \$6.2 million, of which \$3.4 million was due to loss application, for a net increase in tax on reassessments of \$4.7 million.

In weighing the relative significance of gross and net increases, a reasonable conclusion would be that the gross increase is an important measure of the Department's success in obtaining tax that should be obtained. Decreases are to be expected for various reasons and are generally claimed by the taxpayers. Increases are a different matter and are the results of combining the Department's audit and review procedures with the computer program.

## Insurance Premiums Tax and Co-operative Audit

An amendment to Section 13 of The Corporations Tax Act was proclaimed by Order-in-Council 3345/69 and came into force on the first day of January 1970. This amendment provides for a change in the basis of computing the 2 per cent premium tax levied on insurance corporations from 2 per cent of the net premiums (net of re-insurance assumed and ceded) to 2 per cent of the gross premiums (direct writings).

As a result of changing to the direct premium basis of calculating the premium tax, a reduction in the insurance premium tax co-operative audit has been effected, resulting in an overall saving in time of approximately 20 per cent. This reduction arises from the fact that taxpayers will no longer be required to submit information regarding unlicensed re-insurance, thereby eliminating a full page of the insurance return and also the necessity of an audit review of this information.

The purpose of the insurance premium tax co-operative audit is to provide all participating provinces, including Ontario, with a means of verifying the amount of the premiums for the purpose of calculating the 2 per cent premium tax payable by each insurance corporation, segregated by jurisdictions across Canada.



After the commencement of this audit, Ontario found that the additional premium tax obtained more than offset the cost of the audit. Since then, it is evident that the existence of this audit has provided for greater liaison with the Federal Department of Insurance, Provincial Departments of Insurance and their taxing authorities and the insurance industry. In the conduct of this audit, schedules are received from Federal and Provincial Departments of Insurance, which are edited, reproduced, assembled and distributed to all participating provinces, including corrections and revisions found on audit during the year.

## **LOGGING TAX**

The Logging Tax Act imposes a tax of 10 per cent on income in excess of \$10,000 that is derived from logging operations in Ontario. The tax applies to any person or corporation or combination thereof that engages in logging operations in Ontario. In addition to the sale of logs and by-products obtained from logs, logging operations include the sale of standing timber, the right to cut standing timber, the acquisition of logs, and similar activities.

The logging tax, initially levied at 9 per cent of profits from wood operations, has been in effect in Ontario since 1950. A federal-provincial arrangement in 1961 provided for a tax credit of one-third of the logging tax under the Ontario Corporations Tax Act and a credit of two-thirds of the logging tax under the Income Tax Act (Canada).

Table 8 of the statistical section of this Report analyses the logging tax revenue of \$1.5 million by gross revenue classification for taxpayers with fiscal years ending in the 1968 calendar year.

## **FIRE MARSHALS TAX**

The Corporations Tax Branch also administers the fire insurance premiums tax provision of The Fire Marshals Act whereby payments in respect of fire insurance except those for re-insurance, premiums returned, and dividends paid to policy holders by mutual companies and reciprocal exchanges, are taxed. The rate of tax is  $\frac{2}{3}$  of 1 per cent calculated on gross premiums.

The tax reported on the Fire Marshals return is verified or amended by referring to the fire premiums previously established under the co-operative insurance premium tax audit for premium tax purposes. An assessment is prepared taxing these premiums at  $\frac{2}{3}$  of 1 per cent. The tax collected by the Corporations Tax Branch, up to and including March 15 for the previous fiscal year ended December 31 and for other fiscal years, is then transferred to the Department of Justice.

### **Amendment**

An amendment to subsection 1 of section 10 of The Fire Marshals Act was proclaimed by Order-in-Council 3388/69 and came into force on the first day of January 1970. This amendment provided for a change in the basis of computing the Fire Marshals Tax from  $\frac{2}{3}$  of 1 per cent of the net premiums (net of re-insurance assumed and ceded) to  $\frac{2}{3}$  of 1 per cent of the gross premiums (direct writings). This change goes hand in hand with the amendment to section 13 referred to above where tax was changed to 2 per cent of gross premiums rather than 2 per cent of net premiums.



## **COMPUTER-INTEGRATED SYSTEM**

The use of a computer-integrated system in the administration of corporations tax has made possible faster initial processing of corporations tax returns and a more accurate and faster processing of payments, as well as the identifying of corporations which, for one reason or another, require further attention. The system also provides managerial statistical information for administrative and budgetary purposes.

The computer-integrated system further provides for fast collection action to be taken where accounts are overdue or for fast delinquent action, within a matter of days, where corporations have failed to file annual tax returns, and provides for prompt application of credits to subsequent years or for refunds of overpayments of tax.

In order to ensure that all corporations are included in the computer master file, a joint program to effectively control the tax roll was developed with the Companies Branch of the Department of Financial and Commercial Affairs.

## **GASOLINE TAX BRANCH**

### **GASOLINE TAX**

The Province of Ontario levied gasoline tax for the first time in 1925 at a rate of 3 cents per imperial gallon. Gasoline is broadly defined to include products used to generate power by means of internal combustion, but certain products such as fuel oil, furnace oil and solvents are exempt. Full refunds are provided for farmers and commercial fishermen and partial refunds are made for many other off-highway uses of gasoline. The Gasoline Tax Act also imposes a tax on aviation fuel. The present rates of tax which became effective March 13, 1968 are 18 cents per gallon for gasoline and 3 cents per gallon for aviation fuel.

### **Amendments**

During the fiscal year 1969-70, there were three amendments to the regulations (numbered 115/69, 199/69 and 466/69), each relating to changes in the entitlement to refunds. Refund entitlement was withdrawn for gasoline consumed in both marine craft used for pleasure purposes and motorized snow vehicles, but introduced for gasoline and propane used for cooking and heating purposes. In addition, gasoline used in custom farming was granted an increase in entitlement from 13 cents per gallon to the full rate of 18 cents per gallon.

### **Administration**

The administration of gasoline tax falls into two distinct sections: (1) the collection of revenue, (2) the full or partial refund of tax when gasoline has been used for certain purposes other than to propel a motor vehicle.

### **COLLECTION**

The tax imposed on gasoline, aviation fuel and propane which was applicable to the fiscal year 1969-70 amounted to \$380.3 million. The gross revenue received was \$378.9 million, the difference being due to the variation between payments in advance at the beginning and at the end of the fiscal year and to costs allowed to collectors. The gross revenue showed an increase of 6.50 per cent over the preceding year, while the gallonage, exclusive of that consumed by the federal government, rose by 6.47 per cent to 2,230.8 million from 2,095.2 million in the fiscal year 1968-69.

The administration of the collection procedure depends largely upon the field audit to ensure compliance. The revenue staff are concerned mainly with ensuring the prompt receipt of revenue, the verification of the returns, the control of the flow of product between refiner and distributor and the settlement of assessments. There has been no change in the basic procedure during the year.

### **COLLECTION AUDITS**

During the year most major collectors were audited. A total of 67 audits were performed, 32 of which resulted in assessments amounting to \$67,000. The audit activities of the Branch also include a co-operative audit with the Province of Quebec respecting interprovincial transactions. The co-operative audit is undertaken to resolve the many misallocations of tax between Ontario and Quebec and this year resulted in a net remittance of \$188,000 to the Province of Quebec.

## REFUNDS

Refunds of gasoline tax made during the year amounted to \$17.0 million, a reduction of \$1.6 million from the previous year. The largest factor contributing to this reduction was the elimination of refunds for marine craft used for pleasure purposes, which accounted for approximately \$850,000 of the reduction in marine and tourist claims. There were also significant reductions in farm claims of \$365,000 and in industrial claims of \$209,000, which could be due to an increased use of diesel in place of gasoline engines.

### Analysis of Claims Approved—By Classes (Thousands of Dollars)

<i>Type of Claim</i>	<i>1968-69</i>		<i>1969-70</i>	
	<i>No.</i>	<i>Value</i>	<i>No.</i>	<i>Value</i>
Farming.....	114,488	12,992	106,238	12,627
Industrial.....	9,125	2,119	7,167	1,910
Marine.....	42,645	861	3,505	294
Commercial Fishing.....	544	73	438	62
Other Governments and Public Utilities.....	244	291	228	314
Railroads.....	57	99	62	110
Tourist.....	1,341	310	105	17
Miscellaneous.....	3,123	1,606	3,063	1,455
Retailer Allowances.....	3,467	190	3,456	195
Total.....	<u>175,034</u>	<u>18,541</u>	<u>124,262</u>	<u>16,984</u>

The review of claims prior to payment brought a considerable number of errors to light. Amounts totalling \$243,000 were detected as being in excess of entitlement, while under-claims amounted to \$80,000. Claims were adjusted in these cases to give a net reduction of \$163,000.

Some significant changes in procedures were made during the year with the object of reducing the burden of work on the applicants and increasing efficiency in the administration. The abandonment of the requirement for credit card invoices to be receipted reduced correspondence to a considerable extent to the benefit of the applicant, the suppliers and the provincial government. Experience has indicated that there has been no loss of security following the change.

These improvements coupled with a major organizational change and the introduction of a mechanical ledger filing procedure at the close of the year will lower the cost of processing claims as well as reducing to a minimum the time between the receipt and settlement of the claims.

## REFUND AUDITS

The complement of the audit staff was increased and changes were made in the organization. These changes resulted in a different audit attitude towards refund claims; audits were selected and programmed and the audit approach became more positive. The outcome was a considerable increase in assessments as well as an improvement in the dollar return per audit hour. The number of audits performed was reduced from 909 in the fiscal year 1968-69 to 172 in the fiscal year 1969-70 while the corresponding value of assessments resulting from the audits was

increased from \$88,000 to \$231,000. The reduction in number of audits performed reflected the effect of selecting from and concentrating on larger industrial and commercial operations rather than smaller claimants.

## **MOTOR VEHICLE FUEL TAX**

The motor vehicle fuel tax is charged on all fuel consumed in engines propelling licensed vehicles and in equipment used in the maintenance or construction of highways. By regulation under The Motor Vehicle Fuel Tax Act, certain products such as gasoline, aviation fuel and bunker fuel are exempt from tax.

At present, motor fuel is taxed at a rate of 24 cents per gallon, compared to the rate of 18 cents per gallon for gasoline.

Diesel fuel is not an identifiable fuel, being one, or a mixture of more than one, from the middle distillate range of fuels. Tax must be related therefore more directly to the end use than to the sale of the fuel as approximately 90 per cent of the fuels of this type are consumed for non-taxable purposes and are sold tax exempt.

### **Administration**

The motor vehicle fuel tax is collected and remitted to the Department by suppliers, wholesalers and retailers of fuel through the medium of a monthly report.

Approximately 1,600 distributors and consumers collected and paid tax to the Department every month with 2 per cent of the collectors accounting for 75 per cent of the total revenue. The receipt and verification of monthly reports and tax remittances are carried out by a relatively small office staff, but in order to ensure, as far as is possible, compliance with the Act, reliance for collection is placed on the audit of suppliers and consumers more than on the returns.

During the year the audit staff completed 251 audits and investigations into the use being made of fuel oils. The number of assessments issued was 129 and they amounted to \$453,000. The methods and system presently in force for the collection of this tax are under review with particular reference being paid to the problems of double taxation and the use of exempt fuels for taxable purposes.

Gross revenue amounted to \$30.3 million, of which \$424,000 was refunded when tax paid fuel had been used for non-taxable purposes. The net increase in gross revenue over the previous year was \$3.5 million or 13.2 per cent. The consumption of taxable diesel fuel for the fiscal year was 129 million imperial gallons or 15 million imperial gallons more than the 114 million gallons consumed in the fiscal year 1968-69.

During the year, 678 refund claims were paid with a total value of \$424,000. This compares very closely with the previous year when 655 claims with a total value of \$436,000 were settled. Errors on claims to the extent of \$15,000 were adjusted as compared to \$10,000 in 1968-69.

## **TOBACCO TAX**

Prior to the inception of the tobacco tax effective January 1, 1966, tobacco products were subject to retail sales tax. Tobacco products generally include cigarettes, manufactured tobacco, cigars and snuff.



The rate of tax on cigarettes during the year was  $\frac{2}{5}$  of a cent per cigarette, an increase of  $\frac{1}{10}$  of a cent over the fiscal year 1968-69. The rates on other tobacco products such as cigars, pipe tobaccos and snuff remained at the 1968-69 rates, which were  $2\frac{1}{2}$  cents per ounce or part of an ounce for pipe tobaccos and snuff and  $\frac{1}{2}$  of a cent for every 5 cents or part thereof of the price at retail for cigars.

### **Administration**

The tobacco tax is collected by agents appointed by the government and is remitted monthly to the Department of Revenue together with the necessary documents to support the tax collected and remitted. Appointed agents are usually either manufacturers or established wholesalers of tobacco products. All wholesalers, importers and manufacturers are required to be licensed under The Tobacco Tax Act while retailers must be vendors under The Retail Sales Tax Act before they can sell tobacco. This procedure, whereby retailers are treated somewhat differently in the matter of licensing, was adopted to eliminate the necessity for retailers to hold both a vendor's permit under The Retail Sales Tax Act and a licence under The Tobacco Tax Act.

Revenue received during the fiscal year amounted to \$71.7 million as compared to \$54.2 million for the fiscal year 1968-69. The revenue included \$628,000 received from collectors in respect of a  $\frac{1}{10}$  of a cent tax on cigarette inventory imposed on March 5, 1969, the date of the increase in the rate of tax on cigarettes from  $\frac{3}{10}$  of a cent to  $\frac{2}{5}$  of a cent. The inventory tax was not payable until after April 1, 1969.

Of the revenue received during the fiscal year, cigarettes accounted for 93.0 per cent, tobaccos and snuff for 3.5 per cent, and cigars for the remaining 3.5 per cent. The quantities of tobacco giving rise to this revenue comprised 16,886 million cigarettes, 6 million pounds of tobaccos including fine cuts and snuff, and 212 million cigars.

As revenue is received generally one month subsequent to the month of sale, the sales of tobacco within the fiscal year vary slightly from the quantities responsible for the actual revenue. Sales of cigarettes within the fiscal year declined to 16,832 million from 17,215 million in the preceding fiscal year, pipe and other tobaccos decreased slightly to more than 5.9 million pounds, and cigars increased to 213.1 million from 196.7 million.

During the fiscal year the examination of collectors' reports by revenue staff revealed underpayments totalling \$261,000 and overpayments of \$78,000. In addition, the audit of collectors' records resulted in assessments amounting to \$55,000 and refunds of \$21,000.

## RETAIL SALES TAX BRANCH

### RETAIL SALES TAX

The Ontario retail sales tax was introduced on September 1, 1961. It is payable by every purchaser on the purchase of tangible personal property for consumption or use in Ontario, with certain exceptions such as fuel, food, prescription drugs, children's clothing, and a number of others. The tax is also payable by purchasers of certain taxable services including telephone services and transient accommodation. Vendors, acting as agents for the Crown, collect the tax from the purchaser and remit it to the Department of Revenue.

The rates of tax are 5 per cent on taxable personal property and services and 10 per cent on liquor, wine and bottled beer, meals over \$2.50 and charges for admission to places of amusement or entertainment.

### Amendments

A number of significant changes were made to The Retail Sales Tax Act in 1969 which took effect on two different dates.

Three important changes relating to the taxation of production machinery, meals and transient accommodation were made effective April 1, 1969. Production machinery, previously exempt since the inception of the retail sales tax in 1961, became taxable when the exemption was withdrawn. At the same time, the 5 per cent tax on meals over \$1.50 consumed on the premises where sold was changed to a 10 per cent tax on meals over \$2.50, whether consumed on or off the premises. The 10 per cent tax was also applied to liquor, wine and bottled beer. Thirdly, the rental of transient accommodation became subject to a 5 per cent tax. To avoid application of this tax to permanent residents in rented accommodations, any charge for unbroken occupancy for more than 30 days was exempted. Relieving regulations were made in these three areas to protect the "middleman" of three-party fixed price contracts entered into prior to April 1, 1969, who was unable to vary his charge for commitments taking place after that date.

Two other changes which became effective April 1, 1969 concerned the taxation of admissions to places of entertainment and the taxation of rentals. The Hospitals Tax Act, which levied a 10 per cent tax on the charges for admission to places of amusement or places of entertainment, was repealed and its provisions integrated with The Retail Sales Tax Act. Finally, the retail sales tax of 5 per cent on rentals of tangible personal property, formerly applicable to 80 per cent or 90 per cent of the rental charge depending on the rental period, was made applicable to the full rental charge regardless of the rental period.

Two amendments became effective on December 1, 1969. Administrative difficulties involved in identifying meals sold for consumption off the premises, as opposed to prepared foods which qualified for exemption as "food products", were alleviated by exempting all meals packaged for consumption off the premises. At the same time the application of a 10 per cent tax to meal charges totalling more than \$2.50 was altered to permit identifying meals of individuals on the same bill and applying the 10 per cent tax to each charge over \$2.50, rather than the whole bill.

Secondly, a change was made whereby the tax was not applicable to sales made at bazaars and rummage sales unless the total receipts of the event exceeded \$5,000. The former limit was \$500.

## Administration

During the year, a number of improvements were made in the Retail Sales Tax Branch administration designed to improve efficiency and reduce cost. The audit program was revised to improve audit coverage of vendors; two changes were made to reduce the number of returns filed annually; and two changes in the application of the tax were made to remove administrative problems which had arisen. A substantial saving in cost was achieved as a result of a revision of computer programs which has provided more effective organization. This revision has reduced the use of computer time by one-third.

With respect to the audit program, new steps were taken to provide closer control of audit time. This should result in increased audit coverage of vendors. At the same time, a number of revenue officers working under the direction of the Audit Section have been diverted to an inspection program for small vendors. It is expected that about 17,000 inspections per annum will be carried out with this work force. Closer control over collections has already resulted in increased effectiveness. Although Branch revenue has doubled in the past three years, there has been no increase in outstanding assessments or write-offs. During the fiscal year 1969-70 the number of audits completed, including close-outs of vendors, bankruptcy and rebates, totalled 22,000. In addition, there were 13,470 inspections of small vendors. Revenue resulting from retail sales and security transfer tax audits amounted to approximately \$11.3 million.

The work load of the Branch has been reduced and some savings achieved by reducing the number of returns filed annually with the Branch. The repeal of The Hospitals Tax Act and the integration of its provisions into The Retail Sales Tax Act eliminated the annual filing of about 15,000 hospitals tax returns. The hospitals tax, formerly collected separately, is now being remitted as retail sales tax from the same sources, who include it in their retail sales tax returns. In addition, vendors whose tax collections fall within certain limits, are now permitted to file less frequently. This system has reduced annual filing by 170,000 returns without any impairment to revenue.

The work required by the vendor has also been reduced by the revision of the tax on rentals. Formerly, vendors were required to calculate tax on rentals using a percentage which varied according to the length of the rental period. This percentage calculation is no longer required. The change not only makes the calculation of tax easier, but also provides less opportunity for error. A further administrative difficulty has been eased by utilizing the federal excise tax interpretations on items exempt as "consumables".

## LAND TRANSFER TAX

The land transfer tax, in effect since 1921, is a tax levied on any person who registers to grant, assign or transfer land. In this Act, land generally includes tenements, realty, fixtures and good will.

The Crown and all foreign states are exempt from tax. In addition, certain exemptions for charges against land passing by will and for interspousal transfers exist as a result of departmental interpretation of the charging provisions.

The rate of tax is  $\frac{1}{5}$  of 1 per cent on the value of consideration up to \$25,000 and  $\frac{2}{5}$  of 1 per cent on the value of consideration over \$25,000. The tax is payable upon registration and is levied on the value of consideration and not on the value of the land. Normally the transferee pays the tax but in some circumstances the transferor may also be liable.

A composite remitting and information return for use by Registrars in processing the land transfer tax has been developed in conjunction with the Department of Justice. Although the volume of these returns is not extensive, the work saving is significant.

## **SECURITY TRANSFER TAX**

The Ontario security transfer tax was first assessed in 1911. It applies to the value or sale price at which a transfer, sale or assignment is made of any securities such as bonds, debentures, royalties, investments or shares. The tax extends both to changes of ownership taking place within the Province and to orders for sale to be executed elsewhere.

The sale, transfer or assignment of any bond, debenture or share is exempt for Canada, any province of Canada, any municipality or any school board in Ontario. The first issue of shares of any corporation and the transmission of any securities in the event of death are also exempted.

The rate of tax on bonds, debentures, debenture stock, royalties, investments and trust certificates is 3 cents per \$100 or fraction thereof of the par value. On shares, the rate is graduated in steps from 1/10 of 1 per cent for shares under \$1.00, to 4 cents per share plus 1/10 of 1 per cent of the value in excess of \$150, for shares over \$150.

Arrangements have been made to include four questions on the Corporations Tax annual return CT23, which were formerly required to be answered in a separate security transfer tax return form. As a result, about 85,000 security transfer tax annual returns will be eliminated.

## **RACE TRACKS TAX**

Although a levy on racing associations for each day of racing was authorized in 1911, the tax on pari-mutuel betting was first imposed in 1922. Both taxes were in effect until 1968 when the tax for each day of racing was abolished.

The race tracks tax is payable by holders of winning tickets and is calculated by applying 7 per cent to the total amount bet or wagered before allowing any deductions by the operators of the race meeting. The holder of the meeting acts as a tax collector for the Province.



## SUCCESSION DUTY BRANCH

A succession duty was first levied in Ontario in 1892 on the estate of the deceased and was the first tax of its kind in Canada. In 1905 a further duty was added, based on the individual share received by each beneficiary. In its present form, The Succession Duty Act dates from the year 1939 although there have been subsequent amendments.

The British North America Act limits provincial taxing powers to “direct taxation within the province in order to the raising of revenue for provincial purposes”. This limitation is the most important single influence in the form and method of The Succession Duty Act. This means that the person or property subject to taxation must be within the Province at the time the tax is levied, which is the date of death of the deceased.

In imposing a succession duty as distinct from an estate tax, The Succession Duty Act levies duty in respect of such succession, and the rate of tax is determined by three factors:

- (1) The size of the estate.
- (2) The relationship of the individual successor to the deceased.
- (3) The value of the individual succession.

Beyond the actual levy, and distinct from it, the Act creates a personal liability for the duty on any beneficiary in Ontario. In creating this distinct personal liability the theory is that an obligation or debt is created which is recoverable from the person, without recourse to the property which has passed to him.

There are three separate subjects which form the basis of the levy for duty:

- (1) Property situate in Ontario which passes on the death of the deceased, including property which is deemed to pass on death.
- (2) A person to whom there is a transmission.
- (3) A person to whom there is a disposition, that is a lifetime gift.

The duty assessed is levied against the person receiving the benefit, and is borne by that beneficiary under the provisions of the Act. The applicable rate of duty is two-fold, with the initial duty being governed by the aggregate value of the total estate and the additional rate being determined by the portion of the aggregate value passing to the beneficiary.

Beneficiaries are divided into three classes, each with its own rate schedule, exemptions and deductions:

- (1) Preferred class, composed principally of members of the deceased's immediate family.
- (2) Collateral class which includes some relatives of a lineal ancestry such as brothers and sisters of the deceased and their descendants.
- (3) The stranger class which includes all beneficiaries not comprised in the first two classes.

### Administration

The administration of the Succession Duty Branch has undergone a comprehensive review:

- (a) Assessing procedures examined to improve the quality and quantity of work performed: all assessments are now on a current basis.
- (b) Staff training programs introduced to improve efficiency of operations.
- (c) Techniques and procedures for personalty and realty valuations examined; expert staff have been employed to deal with these complex problems.

- (d) Machine accounting methods introduced to improve collection procedures resulting in a noticeable reduction in delinquent accounts.
- (e) Authority for listing contents (for succession duty purposes) of safety deposit boxes delegated to banks and trust companies and fee for this service eliminated.
- (f) Automatic typewriter operation introduced which has considerably facilitated the output of the volume of correspondence handled by the Branch. This has in addition reduced staff requirements, with a corresponding saving in salaries.
- (g) As a result of change in the regulations under The Succession Duty Act, consents of certificates for registration for property are issued without change or alteration. Any subsequent change renders the consent null and void. The amendment has permitted a reduction in the clerical staff in the Consent Office with a considerable saving in salaries. The Succession Duty Branch issued approximately 230,000 consents and certificates for registration during the year. The consent of the Minister is required before the estate representatives can make delivery, assignment or transfer of property passing on the death of the deceased.

In the past year approximately 45,000 returns, which are more particularly referred to as the Affidavits of Value and Relationship, were filed with the Succession Duty Branch and of this number about 9,100 were subject to duty and the balance exempt. In the course of the assessment of the returns, 1,350 business equity valuations were reviewed resulting in an increase of \$16.0 million in value over the sworn value. In addition, the real estate section appraised 7,875 parcels of real estate with a resulting increase of \$28.5 million over the value sworn in the affidavits. Applying an effective rate of, say, 15 per cent to the increase in value of the personalty and the realty as determined by the Department, additional duty of about \$6.7 million was found to be payable.

The net general revenue received from succession duty for the year ended March 31, 1970 was \$73.2 million, an increase of approximately 7 per cent in comparison to the revenue of \$68.5 million received for the fiscal year ended March 31, 1969. In addition, the Province received a share of the federal estate tax amounting to \$26.8 million in the fiscal year 1969-70.

## **FEDERAL-PROVINCIAL ARRANGEMENTS**

### **INCOME TAX COLLECTION AGREEMENT**

Personal income taxation in Ontario was introduced at the provincial level by The Income Tax Act, 1936, although such taxation had been imposed municipally for many years. Ontario was the first province to make an arrangement with the federal government for collection of the provincial tax and the arrangement continued until the Wartime Tax Agreements of 1942. From 1947 to 1961, succeeding sets of five-year agreements were concluded between Canada and various provinces, whereby agreeing provinces suspended their rights to impose certain taxes in return for payments from Canada computed on various bases. During this period Ontario was a party to each successive set of arrangements for the rental of its rights in the personal income tax field with one exception. Ontario did not rent the personal income tax field under the arrangements offered for the years 1947 to 1951, nor did the province reimpose its own personal income tax during these years.

The present system of tax collection arrangements was established in 1962. Unlike earlier post-war arrangements, they provide for the imposition of personal income taxes by the provinces themselves. The provincial tax is collected for the province by Canada under certain conditions, principally that provisions of the provincial Act be maintained in a form and with a content similar to the corresponding provisions of the federal Act, and that the rate of provincial tax be expressed as a percentage of the federal basic tax. To provide for collection agreements, the federal government abated its basic rates of tax to allow tax room for the imposition of a provincial tax, while retaining the right to vary its Act and regulations as it sees fit.

Ontario enacted a new Income Tax Act in 1961 and concluded a five-year agreement for the collection of the Ontario tax by Canada. Subsequently, the agreement was extended for two years and then amended to continue until notice of termination is given by either party. Although Ontario is free to choose any rate of tax as a per cent of the federal basic tax that it wishes, Ontario has imposed tax throughout the present arrangements at the same rate as the federal abatement rate, which is currently 28 per cent for provinces which have not contracted out of certain shared-cost programs.

Under the terms of the agreement, the amount payable to Ontario by Canada for a fiscal year is the total of the tax assessed under the provincial Act for the calendar year ending in the fiscal year, and certain adjustments for prior years and unclaimed deductions at source. Initially, the amount payable for the fiscal year is estimated and paid in instalments over the fiscal year. In the following March, the amount payable for the fiscal year is recalculated, and the difference between the recalculated amount and the total of the instalments is paid to or recovered from the Province.

In the fiscal year ended March 31, 1970, the payments received by Ontario under the income tax collection agreement amounted to \$762.1 million. This was the net amount received after deducting \$2.2 million which arose from the recalculation in March 1970 of the amount payable in respect of the fiscal year 1968-69.

### **SHARE OF FEDERAL ESTATE TAX**

Since 1947 the provinces have had the option under various federal-provincial arrangements of renting their rights to impose succession duty in return for a rental payment from the

federal government. For any province not electing to rent its succession duty field, the federal government has abated its tax to provide for the imposition of provincial duty. Effective April 1, 1964, the provincial share of the federal tax was increased from 50 per cent to 75 per cent, the additional share being effected by a higher abatement rate or by way of rental where a province does not impose a succession duty or where a province does not increase its rates beyond those in effect on March 31, 1964.

Ontario preferred to take the rental payment for the additional 25 per cent share, rather than increase its own rates of duty, thus retaining the abatement for Ontario estates at the 50 per cent rate. The payment to the Province in respect of the 25 per cent share amounted to \$26.8 million in the fiscal year 1969-70.

### **SHARE OF INCOME TAX ON CERTAIN PUBLIC UTILITIES**

Under the Public Utilities Income Tax Transfer Act (Canada) of 1966, the federal government transfers to the provinces 95 per cent of the federal income tax paid by certain privately-owned public utilities on that part of their income arising from their public utility operations earned after December 31, 1965. This represented an extension of a former arrangement under which the amount transferred, when added to the provincial income tax, gave the provinces approximately one-half of the total corporation income tax. The public utility corporations to which the transfers apply are those which derive more than one-half of their gross income from the distribution to, or generation for distribution to, the public of electrical energy, gas or steam. In the fiscal year 1969-70, Ontario's entitlement under the new arrangement amounted to \$8.8 million.

### **TAX RENTAL AGREEMENT, 1952-56**

Under this agreement, Ontario rented the personal and corporations tax fields to the federal government, but since the Province retained the succession duty field its rental payments were subject to deductions for the succession duty credits allowed by Canada in respect of deaths occurring during the period of the agreement. The amounts initially deducted during the agreement on an estimated basis proved insufficient, and adjustments have been required as information on actual credits became available. A repayment of \$925,000, including interest at 3 per cent from December 31, 1954, was made by Ontario in the fiscal year 1969-70.



## DEPARTMENTAL ADMINISTRATION

The administration program of the Department consists of the Offices of the Minister and the Deputy Minister of Revenue, the Legal Services, Operational Audit and Research Branches, and the Administrative Division. The functions performed by these organizational units have been outlined above under Functions and Organization. In general they provide the professional, technical and other services necessary to support the collection of taxes program and the operations of the Province of Ontario Savings Office. In addition, the functions performed by the Administrative Division, except for the services of the Systems and Programming Branch, are provided to the Department of Treasury and Economics and the Treasury Board Secretariat. Approximately a third of the time of the Legal Services Branch is devoted to work pertaining to the Department of Treasury and Economics.

Most of the services provided by the administrative program such as recruitment and personnel, maintenance of payroll and accounting records, purchasing, library, mailing, copying and like services are common to most large organizations. They are largely of a continuing nature and generally well-understood. However the following brief comments illustrate recent improvements within the administrative program.

The processing of tax returns, especially when large volumes are involved, provides an excellent opportunity to exploit computer technology. The Systems and Programming Branch working closely with the tax branches is utilizing modern data processing techniques in order to improve the efficiency and effectiveness of the Province's tax collection system. Many of the retail sales tax and corporations tax operations have been fully integrated into computer systems, including such aspects as billing, issuing of refunds, accounting for cash, detecting of non-filing, and a number of others.

During 1969-70, the control of collections for the Corporations Tax Branch commenced to be handled by the computer which calculates interest to date, interest to be added each day and controls the collection of arrears. With respect to the Retail Sales Tax Branch a major redesigning of the computer system was made, reducing considerably the amount of computer time required to process returns. Also, a major study was commenced on the Province of Ontario Savings Office. Working closely with local management, a new system is being developed which will mechanize and improve work procedures.

A potentially very significant development within the administrative area in recent months has been the establishment of a program to improve communications particularly between the Department and vendors, tax collectors, lawyers, accountants and taxpayers generally. A principal aspect of this program is the improvement in the dissemination of tax information to the public in a revised Tax Bulletin format which is being issued more frequently and with a broader distribution than previously. Other aspects include meetings with representatives of interested professional bodies, an improved flow of management information and statistics on a regular basis within the Department, and the publication of an Annual Report.

During the year the Department placed more emphasis on staff training and development and the Personnel Branch played a strong and co-ordinating role in this endeavour. Most of the increased number of employees taking advantage of the educational assistance program are enrolled in accounting courses which lead to a certificate qualification. An "in-house" training program for computer programmers has also been arranged. This resulted in the

graduation of over a dozen programmers who became available to all departments using the Computer Services Centre.

The staff of the Department numbered 1,327 on March 31, 1970, a net decrease of two in the year as shown in the following table:

**NET CHANGE IN STAFF**  
Fiscal Year Ended March 31, 1970

	<i>First Day of the Year</i>	<i>Last Day of the Year</i>	<i>Net Change 1969-70</i>
Main Office.....	13	12	(1)
Legal Services Branch.....	9	9	—
Operational Audit Branch.....	7	7	—
Sub-total.....	<u>29</u>	<u>28</u>	<u>(1)</u>
Administrative Division			
General Office.....	3	3	—
Office Services.....	24	24	—
Personnel.....	16	16	—
Systems and Programming.....	20	23	3
Accounts.....	11	15	4
Library.....	6	6	—
Sub-total.....	<u>80</u>	<u>87</u>	<u>7</u>
Revenue Division			
Comptroller of Revenue.....	7	8	1
Corporations Tax Branch.....	216	223	7
Gasoline Tax Branch.....	90	93	3
Retail Sales Tax Branch.....	595	588	(7)
Succession Duty Branch.....	130	123	(7)
Sub-total.....	<u>1,038</u>	<u>1,035</u>	<u>(3)</u>
Ontario Savings Office.....	<u>182</u>	<u>177</u>	<u>(5)</u>
Department of Revenue.....	<u>1,329</u>	<u>1,327</u>	<u>(2)</u>

## PROVINCE OF ONTARIO SAVINGS OFFICE

The Savings Office is operated under the authority of The Agricultural Development Finance Act. Under this Act, the Province may borrow money by means of deposits in any amounts and from any persons and may open offices for this purpose anywhere in Ontario.

The establishment of the Savings Office was authorized by the Legislature in 1921 and the first branches were opened in March 1922. At present there are 21 branches operating in Ontario. Each branch has its own manager and the activities of all the branches are co-ordinated and directed by the Head Office. Together, the Head Office and the branches had a staff of 177 as at March 31, 1970.

Deposits received from the public are carried in individual accounts on which interest is paid and cheques may be issued. All monies received on deposits and not required for current operations by the Savings Office are transferred to the credit of the Consolidated Revenue Fund. The Department of Treasury and Economics allows the Savings Office a nominal rate of interest on the effective daily balances in the Consolidated Revenue Fund. This amount is intended to cover the expenses of the Savings Office, including interest allowed to depositors. The Savings Office operates at cost, and accordingly any excess of the nominal interest allowed over that needed in meeting operating costs is returned to the Treasurer of Ontario.

The current rate of interest allowed to depositors is 6½ per cent, calculated on the minimum monthly balance and payable on March 31 and September 30.

In the fiscal year ended March 31, 1970, the operating costs of the Savings Office including interest paid on deposits increased by \$1.3 million to \$6.9 million. The major factor accounting for the higher level of costs was the increase in the interest rate on deposits from 5 per cent to 5½ per cent on April 1, 1969 and to 6½ per cent on July 1, 1969. Interest paid on deposits rose by nearly \$1.3 million to \$5.5 million, while other operating costs increased by \$73,000 to \$1.4 million.

At March 31, 1970 the savings balances due to the public amounted to \$104.2 million, compared with \$102.4 million at March 31, 1969.

## RECENT LEGISLATION

During the spring of 1970, six bills proposing changes in provincial taxing statutes were introduced in the Legislative Assembly by the Minister of Revenue. All of the bills passed the House and received Royal Assent prior to adjournment on June 26, 1970. The six bills together with the chapter numbers assigned to them for the 1970 Statutes of Ontario are as follows:

<i>Bill No.</i>	<i>1970 Chapter No.</i>	<i>Title</i>
49	6	An Act to amend The Retail Sales Tax Act, 1960-61.
50	7	An Act to amend The Income Tax Act, 1961-62.
51	8	An Act to amend The Race Tracks Tax Act.
52	9	An Act to amend The Tobacco Tax Act, 1965.
103	51	An Act to amend The Succession Duty Act.
159	69	An Act to amend The Corporations Tax Act.

While none of the changes provided for in this legislation took effect in the fiscal year for which this Report was prepared, some brief comments on the nature of the changes are given below to provide up-to-date information on the revenue system. The comments are followed by a current summary of the taxing statutes assigned to the Department of Revenue.

The principal changes were in the sales tax and succession duty fields. Among the changes to The Retail Sales Tax Act was an amendment to exempt from tax, effective June 1, 1970, explosives, refractory materials and certain production tools which are subject to very rapid replacement or have a very short economic life.

With respect to succession duties, the major changes were an increase in the dependants' allowance and a broadening of its application. Effective April 1, 1970, the allowance was increased from \$75,000 to \$125,000. Previously the \$75,000 allowance applied to a widow and to an infirm husband where there was a dependent child. The amendment extends the \$125,000 allowance not only to a widow but also to any widower and to a common-law wife or husband meeting certain conditions. A further significant amendment provides for a reassessment, upon application, to reduce duty payable where a terminable interest such as an annuity has terminated within four years of the date of death.

The other amendments to the taxing acts enacted prior to adjournment are of less general interest. Most of them were made to reflect the organizational change which transferred the administration of these acts to the Minister of Revenue, or to clarify and improve their administration. The majority of the amendments to The Corporations Tax Act were made to parallel changes made in the Income Tax Act (Canada). A few of the amendments provide for the setting of interest rates by regulation which will permit greater flexibility and facilitate a more rational interest rate policy.



# STATUTORY AUTHORITY AND PRINCIPAL FEATURES OF ACTIVE TAXING STATUTES ASSIGNED TO THE DEPARTMENT OF REVENUE\*

As at August 1, 1970

## Statutory Authority

### THE CORPORATIONS TAX ACT

R.S.O. 1960, Chapter 73

as amended by:

- 1960-61, Chapter 14
- 1961-62, Chapter 23
- 1962-63, Chapter 26
- 1964, Chapter 11
- 1965, Chapter 22
- 1966, Chapter 30
- 1967, Chapter 15
- 1968, Chapter 20
- 1968-69, Chapter 18
- 1968-69, Chapter 19
- 1970, Chapter 69

### THE GASOLINE TAX ACT

R.S.O. 1960, Chapter 162

as amended by:

- 1962-63, Chapter 51
- 1964, Chapter 36
- 1966, Chapter 62
- 1968, Chapter 48

### THE INCOME TAX ACT

1961-62, Chapter 60

as amended by:

- 1961-62, Chapter 61
- 1962-63, Chapter 61
- 1964, Chapter 34
- 1965, Chapter 50
- 1966, Chapter 69
- 1967, Chapter 39
- 1968, Chapter 55
- 1968-69, Chapter 51
- 1970, Chapter 7

### THE LAND TRANSFER TAX ACT

R.S.O. 1960, Chapter 205

as amended by:

- 1966, Chapter 78

\*See footnote at end of table.

## Rates and Bases

12 per cent of all taxable income of corporations having a permanent establishment in Ontario, and capital and special taxes as follows:

*Ordinary corporations*—1/10 of 1 per cent of taxable capital.

*Banks*—1/5 of 1 per cent of paid-up capital stock and 1/10 of 1 per cent on the reserve fund plus a tax on place of business.

*Railway and express companies*—taxes based on track mileage.

*Telegraph companies*—1 per cent on investment in plant.

*Pullman car companies*—1 per cent of investment in equipment.

*Insurance companies*—2 per cent premiums tax.

18 cents per imperial gallon on all gasoline purchased or delivered to any purchaser in Ontario.

3 cents per imperial gallon on all aviation fuel purchased or delivered to any purchaser in Ontario.

28 per cent of basic personal income tax computed as specified in the Income Tax Act (Canada) at full graduated rates after deduction of the dividend tax credit but before abatement for provincial income tax and excluding old age security tax, on the income of individuals (including estates and trusts) who reside in Ontario on the last day of the taxation year or earn income in Ontario during the taxation year.

1/5 of 1 per cent of the value of the consideration for land where the consideration is \$25,000 or under plus 2/5 of 1 per cent of the value in excess of \$25,000. Land includes tenements, realty, fixtures and good will.

### *Exemptions, Deductions, Refunds, etc.*

---

There may be deducted from the tax otherwise payable 12 per cent of that portion of taxable income earned in the fiscal year in each jurisdiction other than Ontario. Corporations exempt from income tax include: Municipal authorities and municipal or provincial corporations, certain non-profit or charitable corporations, credit unions, housing corporations, personal corporations, non-resident-owned investment corporations, pension corporations, and companies insuring properties of farmers and fishermen and churches and schools.

The Government of Canada, and certain diplomatic and foreign representatives where the gasoline is for their exclusive use, are exempt.

Tax on gasoline sold to farmers for purposes other than propelling a vehicle on a highway, and tax on gasoline used for commercial fishing is fully refundable.

Tax on gasoline used for most other off-highway purposes is partially refundable at the rate of 13 cents per gallon except where it is used in highway construction and maintenance, marine craft other than working boats, or motorized snow vehicles.

By agreement between Ontario and Canada the Ontario individual income tax is administered and collected for the Province by the Department of National Revenue and the provisions relating to exemptions, deductions, refunds, tax credits, etc. are as provided under the Income Tax Act (Canada).

No tax is payable by the Crown or any foreign state.

### *Due Dates for Returns and Payments*

---

*Returns* for most corporations are due on the last day of the month which ends six months following the close of the fiscal year of the corporation.

*Payments* for most corporations are due on the 15th day of the 3rd, 5th, 7th, 9th, and 11th month of the relevant fiscal year and the 15th of the month following the fiscal year.

*Remittances* are due on the 28th day of the month following the relevant month.

As provided under the Income Tax Act (Canada).

*Payment* is due upon registration of the transfer. *Remittance* dates are 10 days after the end of each month or twice monthly in the case of large registry offices.

# STATUTORY AUTHORITY AND PRINCIPAL FEATURES OF ACTIVE TAXING STATUTES ASSIGNED TO THE DEPARTMENT OF REVENUE\* (Continued)

As at August 1, 1970

<i>Statutory Authority</i>	<i>Rates and Bases</i>
<p>THE LOGGING TAX ACT R.S.O. 1960, Chapter 224 as amended by:     1962-63, Chapter 77     1965, Chapter 65</p>	<p>10 per cent of that part in excess of \$10,000 of the taxpayer's "income derived from logging operations" as defined in the Act for the taxation year.</p>
<p>THE MOTOR VEHICLE FUEL TAX ACT R.S.O. 1960, Chapter 248 as amended by:     1961-62, Chapter 85     1964, Chapter 67     1965, Chapter 76     1966, Chapter 90     1968, Chapter 74</p>	<p>24 cents per imperial gallon of fuel on all purchasers or registrants using fuel to generate power for the propulsion of a motor vehicle. Fuel is defined to exclude gasoline, aviation and heating fuels, solvents and thinners and certain other petroleum products so that the tax applies principally to diesel fuel used for the propulsion of a motor vehicle or in connection with the maintenance and construction of a highway.</p>
<p>THE RACE TRACKS TAX ACT R.S.O. 1960, Chapter 341 as amended by:     1964, Chapter 97     1968, Chapter 111     1970, Chapter 8</p>	<p>7 per cent upon the holder of a winning ticket issued under the pari-mutuel system for a race run at a race meeting based on the amount that would be payable to him if no percentage were deducted or retained by the person holding the race meeting in respect of such race.</p>
<p>THE RETAIL SALES TAX ACT 1960-61, Chapter 91 as amended by:     1961-62, Chapter 126     1962-63, Chapter 127     1964, Chapter 104     1965, Chapter 117     1966, Chapter 138     1967, Chapter 88     1968-69, Chapter 113     1970, Chapter 6</p>	<p>5 per cent on the fair value of every purchase or rental of tangible personal property for consumption or use, and on the fair value of a taxable service. 10 per cent on purchase price of prepared meals sold at a price in excess of \$2.50, on liquor, wine and bottled beer, and on the price of admission to a place of amusement. Taxable services include telephone and telegraph services and transient accommodation.</p>

\*See footnote at end of table.

### *Exemptions, Deductions, Refunds, etc.*

---

Tax credit of one-third of logging tax is provided under The Corporations Tax Act (Ontario). Two-thirds of the logging tax may be deducted from federal income tax under the Income Tax Act (Canada).

Fuel other than for the propulsion of a motor vehicle or for use in highway construction or maintenance is exempt.

Exemptions are provided for goods purchased by another vendor who executes a purchase exemption certificate; goods to be delivered by the vendor outside of Ontario for use outside Ontario; building materials purchased by municipalities and certain other bodies; buses for urban transport; goods sold for the use of the Government of Canada, and sales under 21 cents. Specific goods exempted include most foods; fuels including electricity; a variety of farm implements, supplies and products; most books, magazines and newspapers; children's clothing; prescription drugs; tobacco; certain equipment and consumable materials used in the process of manufacture and a number of others.

### *Due Dates for Returns and Payments*

---

Due Dates for returns are:

*Corporations*—6 months from end of taxation year.

*Deceased Persons*—6 months from the day of death.

*Estate or Trust*—90 days from end of taxation year.

*Others*—April 30th in the next year or as required by notice in writing.

*Instalment payments*—are due at the close of the taxation year and on the 15th day of the 3rd month following the month in which the relevant fiscal year closed.

*Payment* is due on purchase and *remittances* are due on the 25th of each month for the preceding month except for small remitters who may be permitted to remit less frequently.

*Remittances* are due daily at the close of each day's racing and race track operator's returns are due two weeks after the close of the race meeting.

*Payment* is due at the time of purchase. *Remittances* are due on the 23rd of each month for the preceding month except for small remitters who may be permitted to file less frequently.



# STATUTORY AUTHORITY AND PRINCIPAL FEATURES OF ACTIVE TAXING STATUTES ASSIGNED TO THE DEPARTMENT OF REVENUE\* (Concluded)

As at August 1, 1970

## Statutory Authority

THE SECURITY TRANSFER TAX ACT  
R.S.O. 1960, Chapter 364

THE SUCCESSION DUTY ACT  
R.S.O. 1960, Chapter 386  
as amended by:

- 1960-61, Chapter 95
- 1961-62, Chapter 131
- 1962-63, Chapter 135
- 1964, Chapter 112
- 1965, Chapter 126
- 1966, Chapter 148
- 1970, Chapter 51

THE TOBACCO TAX ACT  
1965, Chapter 130  
as amended by:

- 1966, Chapter 156
- 1968, Chapter 137
- 1968-69, Chapter 130
- 1970, Chapter 9

## Rates and Bases

3 cents per \$100 or fraction thereof of the par value of a bond, debenture or debenture stock. 3 cents per \$100 or fraction thereof of the current market price or value of each syndicate unit, mineral deed, oil royalty, guaranteed trust certificate or investment receipt. On the current market price or valuation of each share sold, transferred or assigned the tax is as follows:

Under \$1	1/10 of 1% of value
\$ 5 to \$ 25	1 cent
\$25 to \$ 50	2 cents
\$50 to \$ 75	3 cents
\$75 to \$150	4 cents
Over \$150	4 cents plus 1/10 of 1% of value over \$150

Ontario succession duty is levied on the beneficiary and based on the aggregate value of property transferred by will, intestate law or gift inter-vivos. All classes of beneficiaries pay an initial rate which varies with the aggregate value of the total estate; all but the stranger class pay an additional rate which varies with the proportion of aggregate value passing to the beneficiary; and all pay a surtax on the duty resulting from the application of the above rates. The ranges of these rates are as follows:

*Preferred Beneficiary* (e.g. parent, child)

Initial Rate: up to \$50,000, no duty; thereafter 2½% rising to 14% on estate over \$5 million.

Additional Rate: up to \$50,000, no duty; thereafter 1½% rising to 15% on share over \$3 million.

Surtax: 15%.

*Dependants*—same as for preferred class but special allowances and credits apply.

*Collaterals* (e.g. brother, sister, their descendants)

Initial Rate: up to \$20,000, no duty; thereafter 6% rising to 17% on estate over \$1 million.

Additional Rate: up to \$10,000, no duty; thereafter 2½% rising to 13% on share over \$3 million.

Surtax: 20%.

*Strangers* (Remote relatives and all others)

Initial Rate: up to \$10,000, no duty; thereafter 12½% rising to 35% on estate over \$800,000.

Surtax: 25%.

2/5 of 1 cent per cigarette;

1/2 of 1 cent for every 5 cents (or part thereof) of the retail price of every cigar;

2½ cents per ounce (or part thereof) of the retail price of any tobacco other than cigarettes or cigars.

\*This is a general summary table and reference must be made to relevant statutes, regulations and rulings to ascertain the application of each tax in particular circumstances.

### *Exemptions, Deductions, Refunds, etc.*

---

Bonds and debentures guaranteed by Canada, a province of Canada, or any municipality or school board in Ontario and the first issue of bonds, stocks, etc. are exempt. Bona fide transfers or retransfers of securities as collateral for loans or advances are exempt.

Aggregate value excludes reasonable funeral expenses, debts, encumbrances and certain other allowances and exemptions. Exemptions are provided for bona fide gifts made more than five years before the date of death of the deceased; dispositions or bequests to Canada, Ontario, any Ontario municipality, and under certain circumstances to religious, charitable or educational organizations. Duty paid to certain provincial and foreign jurisdictions may be allowed as a credit in reducing Ontario duty.

#### *Dependants' allowance and deduction*

Where the total estate passing to a group of dependants does not exceed the group's total dependant allowance, all dependants are exempt, and where a dependant's share does not exceed the individual dependant allowance, he or she is exempt. Both these allowances are: spouse, \$125,000 plus \$15,000 for each dependent child; and a dependent orphan child, \$25,000. The individual dependant reduction (credit) from duty is based on the following amounts: widow or widower, \$11,500; a dependent child, \$431.25; and a dependent orphan child, \$718.75.

### *Due Dates for Returns and Payments*

---

*Payment* is due upon the change of ownership of the security or in certain cases upon the ordering, delivery or making of a payment consequent upon a transfer of a security. Stock exchange reports are due every Thursday and corporations annual returns are due six months after the close of the fiscal year of the corporation.

*Returns* are due three months after the date of death and *payments* six months after the date of death except where complex payment provisions apply.

*Remittances* are due on the 28th day of the month following the month/period for which the return is made.



## STATISTICAL SUPPLEMENT

Table 1 —Net General Revenue—Fiscal Years Ended March 31, 1966 to 1970.....	42
Table 2 —Net General Expenditure—Fiscal Years Ended March 31, 1966 to 1970.....	43
Table 3 —Retail Sales Tax by Industrial Classification, Fiscal Years Ended March 31, 1969 and 1970.....	44
Table 4 —Corporations Tax by Source of Revenue, Fiscal Years Ended March 31, 1969 and 1970.....	44
Table 5 —Land Transfer Tax by Registry Office, Fiscal Years Ended March 31, 1969 and 1970.....	45
Table 6 —Succession Duty—Dutiable Affidavits and Duty Paid by Size of Estate, Fiscal Year Ended March 31, 1970.....	47
Table 7 —Corporations Taxes Assessed by Industry and Gross Revenue Classification, Fiscal Periods Ending in 1968.....	48
Table 8 —Logging Tax Assessed by Gross Revenue Classification, Fiscal Periods Ending in 1968.....	51
Table 9 —Ontario Individual Income Tax Returns by Income Class, Taxation Year 1968.....	52
Table 10—Ontario Individual Income Tax Returns by Occupation, Taxation year 1968.....	56



Table 1

## NET GENERAL REVENUE

Fiscal Year Ended March 31, 1966 to 1970  
(Thousands of Dollars)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
<b>Taxes and Fees</b>					
Income Tax Collection Agreement...	292,404	393,837	551,004	620,476	762,086
Retail Sales Tax .....	220,998	385,575	435,666	485,588	637,264
Corporations Tax .....	252,376	274,500	302,273	332,964	477,173
Gasoline Tax .....	236,829	266,391	283,221	337,284	361,937
Succession Duty .....	59,968	57,913	59,638	68,472	73,182
Tobacco Tax .....	2,002	18,553	18,983	54,220	71,695
Motor Vehicle Fuel Tax .....	14,678	18,196	21,527	26,298	29,840
Race Tracks Tax .....	12,162	14,673	15,091	18,999	20,873
Land Transfer Tax .....	6,706	8,573	10,822	12,567	14,548
Hospitals Tax .....	6,791	8,127	9,524	10,439	838
Security Transfer Tax .....	4,200	3,502	4,835	7,374	6,962
Logging Tax .....	2,257	1,745	1,662	1,444	1,977
Fees, etc. ....	3	2	4	3	4
Total Taxes and Fees .....	<u>1,111,374</u>	<u>1,451,587</u>	<u>1,714,250</u>	<u>1,976,128</u>	<u>2,458,379</u>
<b>Liquor Control Board of Ontario</b>					
Profits, Gallonage Fees, etc. ....	<u>125,200</u>	<u>133,700</u>	<u>149,142</u>	<u>192,577</u>	<u>178,741</u>
<b>Government of Canada</b>					
Share of Federal Estate Tax .....	16,837	19,743	20,628	21,677	26,818
Share of Federal Income Tax on Certain Public Utilities .....	1,321	1,051	1,576	5,463	8,795
Tax Rental Agreement, 1952-56 .....	—	—	(128)	(213)	(925)
Government of Canada .....	<u>18,158</u>	<u>20,794</u>	<u>22,076</u>	<u>26,927</u>	<u>34,688</u>
<b>Reimbursement of Expenditure</b>					
Province of Ontario Savings Office Refund—Advances for Operating Expenses .....	969	1,094	1,219	1,270	1,419
Gross General Revenue .....	<u>1,255,701</u>	<u>1,607,175</u>	<u>1,886,687</u>	<u>2,196,902</u>	<u>2,673,227</u>
Deduct—Reimbursement of Expenditure ..	<u>969</u>	<u>1,094</u>	<u>1,219</u>	<u>1,270</u>	<u>1,419</u>
Net General Revenue .....	<u><u>1,254,732</u></u>	<u><u>1,606,081</u></u>	<u><u>1,885,468</u></u>	<u><u>2,195,632</u></u>	<u><u>2,671,808</u></u>

Table 2

NET GENERAL EXPENDITURE<sup>(1)</sup>Fiscal Years Ended March 31, 1966 to 1970  
(Thousands of Dollars)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
<b>Collection of Taxes Program</b>					
Corporations and Logging Tax					
Collection . . . . .	954	1,139	1,227	1,453	1,554
Fuel and Tobacco Tax Collection . . .	456	565	557	669	731
Succession Duty Collection . . . . .	791	937	928	1,000	1,020
Retail Sales Tax and Other Tax					
Collection . . . . .	2,956	3,913	4,297	4,719	5,061
Program Administration . . . . .	77	70	74	83	97
	<u>5,234</u>	<u>6,624</u>	<u>7,083</u>	<u>7,924</u>	<u>8,463</u>
<b>Departmental Administration . . . . .</b>	728	837	1,149	1,580	1,893
<b>Reimbursement of Expenditure</b>					
Province of Ontario Savings Office					
Refund—Advances for					
Operating Expenses . . .	<u>969</u>	<u>1,094</u>	<u>1,219</u>	<u>1,270</u>	<u>1,419</u>
<b>Gross General Expenditure . . . . .</b>	6,931	8,555	9,451	10,774	11,775
<b>Deduct—Reimbursement of</b>					
Expenditure . . . . .	<u>969</u>	<u>1,094</u>	<u>1,219</u>	<u>1,270</u>	<u>1,419</u>
<b>Net General Expenditure . . . . .</b>	<u><u>5,962</u></u>	<u><u>7,461</u></u>	<u><u>8,232</u></u>	<u><u>9,504</u></u>	<u><u>10,356</u></u>

<sup>1</sup>Data for the fiscal years shown are comparable, although these programs were carried out by Treasury Department prior to the proclamation of The Department of Revenue Act on July 23, 1968.

**Table 3**

**RETAIL SALES TAX BY INDUSTRIAL CLASSIFICATION**

Fiscal Years Ended March 31, 1969 and 1970  
(Thousands of Dollars)

<i>Industrial Classification</i>	<i>1969</i>		<i>1970</i>	
	<i>Amount</i>	<i>Per Cent</i>	<i>Amount</i>	<i>Per Cent</i>
Agriculture, Forestry and Fisheries.....	146	.03	191	.03
Mining.....	971	.20	1,275	.20
Construction.....	2,428	.50	3,186	.50
Manufacturing.....	79,636	16.40	126,178	19.80
Transportation, Communication and Other Public Utilities.....	29,135	6.00	33,775	5.30
Wholesale Trade.....	32,534	6.70	34,412	5.40
Retail Trade.....	327,384	67.42	419,129	65.77
Finance, Insurance and Real Estate.....	3,885	.80	2,549	.40
Services.....	9,226	1.90	16,250	2.55
Government.....	243	.05	319	.05
Total.....	<u>485,588</u>	<u>100.00</u>	<u>637,264</u>	<u>100.00</u>

**Table 4**

**CORPORATIONS TAX BY SOURCE OF REVENUE**

Fiscal Years Ended March 31, 1969 and 1970  
(Thousands of Dollars)

<i>Source of Revenue</i>	<i>1969</i>	<i>1970</i>
Insurance Premiums Tax.....	27,729	27,050
Special Taxes*.....	556	962
Income, Capital and Place of Business Taxes.....	304,679	449,161
Total.....	<u>332,964</u>	<u>477,173</u>

\*Includes capital and place of business tax on banks, capital tax on telegraph companies, mileage tax on railway and express companies.

Table 5

## LAND TRANSFER TAX BY REGISTRY OFFICE

Fiscal Years Ended March 31, 1969 and 1970  
(Thousands of Dollars)

<i>Registry and/or Land Titles Office</i>	<i>1969</i>		<i>1970</i>	
	<i>Position</i>	<i>Amount</i>	<i>Position</i>	<i>Amount</i>
York East & West.....	1	2,590	1	2,679
York Land Titles.....	3	1,205	2	1,422
Peel.....	4	1,140	3	1,392
Toronto.....	2	1,255	4	1,327
Halton.....	5	640	5	859
Wentworth.....	6	516	6	638
Ontario.....	9	397	7	546
Waterloo.....	8	422	8	519
Ottawa.....	7	443	9	482
Essex.....	11	295	10	350
Simcoe.....	13	241	11	319
York North.....	15	190	12	301
Middlesex North & East.....	10	307	13	300
Niagara North (Lincoln).....	12	277	14	259
Carleton.....	14	232	15	257
Niagara South (Welland).....	16	175	16	203
Wellington South & Centre.....	17	149	17	176
Sudbury.....	18	141	18	159
Lambton.....	19	115	19	125
Brant.....	25	89	20	123
Frontenac.....	23	93	21	119
Peterborough.....	21	99	22	107
London.....	24	93	23	104
Norfolk.....	20	105	24	99
Oxford.....	26	85	25	97
Kent.....	22	93	26	90
Elgin.....	27	65	27	89
Muskoka.....	30	59	28	80
Hastings.....	29	62	29	77
Algoma.....	28	64	30	70
Perth.....	31	52	31	69
Victoria.....	35	42	32	63
Dufferin.....	34	44	33	56
Nipissing.....	32	51	34	56



Table 5 (Continued)

## LAND TRANSFER TAX BY REGISTRY OFFICE

Fiscal Years Ended March 31, 1969 and 1970  
(Thousands of Dollars)

<i>Registry and/or Land Titles Office</i>	<i>1969</i>		<i>1970</i>	
	<i>Position</i>	<i>Amount</i>	<i>Position</i>	<i>Amount</i>
Thunder Bay East				
Port Arthur .....	33	49	35	54
Durham West .....	40	37	36	52
Grey North .....	36	42	37	50
Stormont .....	39	38	38	46
Thunder Bay West				
Fort William .....	43	34	39	46
Parry Sound .....	44	33	40	45
Haldimand .....	38	39	41	44
Bruce .....	45	33	42	43
Leeds .....	46	31	43	43
Huron .....	37	40	44	41
Cochrane .....	42	35	45	40
Renfrew .....	41	36	46	37
Northumberland West .....	48	21	47	32
Grey South .....	47	22	48	31
Durham East .....	50	20	49	29
Wellington North .....	55	18	50	29
Lennox & Addington .....	54	19	51	28
Middlesex West .....	52	19	52	27
Haliburton .....	49	20	53	26
Northumberland East .....	56	17	54	24
Kenora .....	51	19	55	22
Russell .....	57	16	56	19
Prince Edward .....	59	13	57	18
Lanark South .....	53	19	58	18
Temiskaming .....	58	16	59	18
Prescott .....	62	8	60	15
Grenville .....	60	10	61	12
Lanark North .....	64	7	62	11
Glengarry .....	61	10	63	10
Rainy River .....	65	7	64	10
Dundas .....	63	7	65	9
Manitoulin .....	66	6	66	7
Total .....		<u>12,567</u>		<u>14,548</u>

**Table 6**  
**SUCCESSION DUTY**  
**DUTIABLE AFFIDAVITS AND DUTY PAID BY SIZE**  
**OF ESTATE**

Fiscal Year Ended March 31, 1970

<i>Aggregate Value of Estate</i>	<i>Dutiable Affidavits Received</i>	
	<i>Number</i>	<i>Distribution %</i>
<b>Domestic Estates</b>		
Under—\$ 75,000	4,162	45.9
75,000— 90,000	608	6.7
90,000— 125,000	753	8.3
125,000— 150,000	435	4.8
150,000— 300,000	771	8.5
300,000— 500,000	172	1.9
500,000—1,000,000	91	1.0
1,000,000—2,000,000	36	.4
Over—2,000,000	9	.1
<b>All Foreign Estates</b>	2,031	22.4
<b>Total</b>	<u>9,068</u>	<u>100.0</u>
	<i>Succession Duty Paid</i>	
	<i>Amount \$000</i>	<i>Distribution %</i>
<b>Domestic Estates</b>		
Under—\$ 75,000	11,709	16.0
75,000— 90,000	2,708	3.7
90,000— 125,000	5,781	7.9
125,000— 150,000	5,708	7.8
150,000— 300,000	14,637	20.0
300,000— 500,000	7,758	10.6
500,000—1,000,000	9,221	12.6
1,000,000—2,000,000	5,708	7.8
Over—2,000,000	4,171	5.7
<b>All Foreign Estates</b>	5,781	7.9
<b>Total</b>	<u>73,182</u>	<u>100.0</u>

Table 7

**CORPORATIONS TAXES ASSESSED BY INDUSTRY  
AND GROSS REVENUE CLASSIFICATION**

Fiscal Periods Ending in 1968  
(Thousands of Dollars)

<i>Industry and Gross Revenue Classification<sup>1</sup></i>	<i>Units No.</i>	<i>Capital, Special and Place of Business Taxes \$</i>	<i>Income Tax \$</i>	<i>Total Tax \$</i>
<b>Agriculture, Fishing and Forestry</b>				
\$ 0— 24,999	507	18	39	57
25,000— 99,999	464	22	207	229
100,000— 249,999	284	16	317	333
250,000— 499,999	128	6	180	186
500,000— 999,999	77	5	201	206
1,000,000—4,999,999	64	12	375	387
5,000,000 and over	7	4	91	95
Total	<u>1,531</u>	<u>83</u>	<u>1,410</u>	<u>1,493</u>
<b>Mining, Quarrying, Oil and Gas Wells</b>				
\$ 0— 24,999	2,109	70	54	124
25,000— 99,999	112	6	25	31
100,000— 249,999	58	5	54	59
250,000— 499,999	61	7	220	227
500,000— 999,999	50	9	310	319
1,000,000—4,999,999	74	29	584	613
5,000,000 and over	79	327	13,375	13,702
Total	<u>2,543</u>	<u>453</u>	<u>14,622</u>	<u>15,075</u>
<b>Manufacturing</b>				
\$ 0— 24,999	3,463	120	2,358	2,478
25,000— 99,999	1,970	44	1,880	1,924
100,000— 249,999	2,291	57	2,334	2,391
250,000— 499,999	1,648	53	3,183	3,236
500,000— 999,999	1,367	73	4,880	4,953
1,000,000—4,999,999	1,914	250	25,154	25,404
5,000,000 and over	911	902	113,993	114,895
Total	<u>13,564</u>	<u>1,499</u>	<u>153,782</u>	<u>155,281</u>

<sup>1</sup>See footnote at end of table.

Table 7 (Continued)

**CORPORATION TAXES ASSESSED BY INDUSTRY  
AND GROSS REVENUE CLASSIFICATION**

Fiscal Periods Ending in 1968  
(Thousands of Dollars)

<i>Industry and Gross Revenue Classification<sup>1</sup></i>	<i>Units No.</i>	<i>Capital, Special and Place of Business Taxes \$</i>	<i>Income Tax \$</i>	<i>Total Tax \$</i>
<b>Construction</b>				
\$ 0— 24,999	3,157	143	308	451
25,000— 99,999	2,101	64	1,332	1,396
100,000— 249,999	2,210	79	2,359	2,438
250,000— 499,999	1,266	45	2,533	2,578
500,000— 999,999	782	48	2,256	2,304
1,000,000—4,999,999	659	106	3,846	3,952
5,000,000 and over	154	82	4,060	4,142
Total	<u>10,329</u>	<u>567</u>	<u>16,694</u>	<u>17,261</u>
<b>Transportation, Storage, Communication and Public Utilities</b>				
\$ 0— 24,999	878	590	54	644
25,000— 99,999	573	13	287	300
100,000— 249,999	564	20	525	545
250,000— 499,999	314	15	601	616
500,000— 999,999	194	16	602	618
1,000,000—4,999,999	175	43	2,318	2,361
5,000,000 and over	79	98	17,927	18,025
Total	<u>2,777</u>	<u>795</u>	<u>22,314</u>	<u>23,109</u>
<b>Wholesale Trade</b>				
\$ 0— 24,999	1,835	51	308	359
25,000— 99,999	922	16	433	449
100,000— 249,999	1,093	19	1,073	1,092
250,000— 499,999	941	21	1,700	1,721
500,000— 999,999	804	23	2,387	2,410
1,000,000—4,999,999	962	62	6,876	6,938
5,000,000 and over	296	123	12,504	12,627
Total	<u>6,853</u>	<u>315</u>	<u>25,281</u>	<u>25,596</u>

<sup>1</sup>See footnote at end of table.



Table 7 (Continued)

**CORPORATIONS TAXES ASSESSED BY INDUSTRY  
AND GROSS REVENUE CLASSIFICATION**

Fiscal Periods Ending in 1968  
(Thousands of Dollars)

<i>Industry and Gross Revenue Classification<sup>1</sup></i>	<i>Units No.</i>	<i>Capital, Special and Place of Business Taxes \$</i>	<i>Income Tax \$</i>	<i>Total Tax \$</i>
<b>Retail Trade</b>				
\$ 0— 24,999	2,300	56	396	452
25,000— 99,999	1,817	35	723	758
100,000— 249,999	3,031	42	2,525	2,567
250,000— 499,999	1,682	37	2,748	2,785
500,000— 999,999	1,055	29	2,489	2,518
1,000,000—4,999,999	961	70	4,299	4,369
5,000,000 and over	223	135	14,865	15,000
Total	11,069	404	28,045	28,449
<b>Service</b>				
\$ 0— 24,999	4,908	123	663	786
25,000— 99,999	3,403	89	2,102	2,191
100,000— 249,999	2,288	64	2,751	2,815
250,000— 499,999	1,025	49	2,255	2,304
500,000— 999,999	517	41	1,894	1,935
1,000,000—4,999,999	435	66	3,452	3,518
5,000,000 and over	92	25	4,280	4,305
Total	12,668	457	17,397	17,854
<b>Finance and Insurance</b>				
Finance (excl. insurance)				
\$ 0— 24,999	15,087	486	2,094	2,580
25,000— 99,999	4,741	248	5,348	5,596
100,000— 249,999	1,828	236	3,431	3,667
250,000— 499,999	721	165	2,022	2,187
500,000— 999,999	387	119	1,974	2,093
1,000,000—4,999,999	333	236	3,928	4,164
5,000,000 and over	123	237	21,484	21,721
Sub-Total	23,220	1,727	40,281	42,008
Insurance Companies	373	22,786 <sup>2</sup>	3,115	25,901
Total	23,593	24,513	43,396	67,909

<sup>1</sup>See footnote at end of table.<sup>2</sup>Gross premiums tax.

**Table 7 (Continued)**  
**CORPORATIONS TAXES ASSESSED BY INDUSTRY**  
**AND GROSS REVENUE CLASSIFICATION**

Fiscal Periods Ending in 1968 (Thousands of Dollars)					
Summary of all industries by Gross Revenue Classification Excluding Insurance <sup>1</sup>	Units No.	Capital, Special and Place of Business Taxes \$	Income Tax \$	Total Tax \$	
\$ 0— 24,999	34,244	1,657	6,274	7,931	
25,000— 99,999	16,103	537	12,337	12,874	
100,000— 249,999	13,647	538	15,369	15,907	
250,000— 499,999	7,786	398	15,442	15,840	
500,000— 999,999	5,233	363	16,993	17,356	
1,000,000—4,999,999	5,577	874	50,832	51,706	
5,000,000 and over	1,964	1,933	202,579	204,512	
Sub-Total	84,554	6,300	319,826	326,126	
Insurance Companies	373	22,786	3,115	25,901	
Grand Total	84,927	29,086	322,941	352,027	
<b>Summary by Industry</b>					
Agriculture, Fishing and Forestry.....	1,531	83	1,410	1,493	
Mining, Quarrying, Oil and Gas Wells.....	2,543	453	14,622	15,075	
Manufacturing.....	13,564	1,499	153,782	155,281	
Construction.....	10,329	567	16,694	17,261	
Transportation, Storage, Communications and Public Utilities.....	2,777	795	22,314	23,109	
Wholesale Trade.....	6,853	315	25,281	25,596	
Retail Trade.....	11,069	404	28,045	28,449	
Service.....	12,668	457	17,397	17,854	
Finance and Insurance...	23,593	24,513	43,396	67,909	
Grand Total.....	84,927	29,086	322,941	352,027	

<sup>1</sup>See footnote below

**Table 8**  
**LOGGING TAX ASSESSED BY GROSS REVENUE CLASSIFICATION**

Fiscal Periods Ending in 1968		
Gross Revenue Classification <sup>1</sup>	Units No.	Logging Tax \$ 000
\$ 0— 24,999	101	40
25,000— 99,999	18	11
100,000— 249,999	25	17
250,000— 499,999	16	12
500,000— 999,999	14	58
1,000,000—4,999,999	21	167
5,000,000 and over	15	1,167
Total	210	1,472

<sup>1</sup>"Gross revenue" represents world gross revenue, whereas "Total Tax" represents tax paid to Ontario after allocation of income to other jurisdictions. In some industries where the larger corporations conduct their operations mainly outside of Ontario, the tax paid to Ontario bears no relation to the size of the corporation.

**Table 9**  
**ONTARIO INDIVIDUAL INCOME TAX RETURNS**  
**BY INCOME CLASS, TAXATION YEAR 1968**  
(All Money Figures in Thousands of Dollars)

Item	Under \$1,000		\$1,000-\$2,000		\$2,000-\$3,000	
	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns
1 Number of Taxable Returns.....	19,996	19,996	265,455	265,455	325,878	325,878
2 Number of Non-Taxable Returns....		327,055		135,542		38,150
3 Total Number of Returns.....	19,996	347,051	265,455	400,997	325,878	364,028
4 Number Deducting CPP Contributions.....	9,336	103,459	213,614	301,674	265,383	295,959
<b>SOURCES OF INCOME</b>						
5 Wages and Salaries.....	\$ 9,753	\$ 155,930	\$ 338,733	\$ 442,957	\$ 635,017	\$ 682,447
6 Commissions from Employment....	25	1,140	520	1,383	2,580	3,987
7 Commission Income from Self-Employment.....	17	(61)	796	1,450	1,291	1,876
8 Business Income.....	34	(8,037)	8,960	16,948	23,078	35,889
9 Professional Income.....	76	550	1,355	1,728	2,140	2,502
10 Farming or Fishing Income.....	(203)	(22,080)	1,705	8,781	6,291	17,003
11 Rental Income.....	(1)	(2,754)	1,849	3,665	4,397	5,065
12 Superannuation or Pension.....	45	1,465	8,063	14,884	34,236	39,782
13 Old Age Pension and Supplement and CPP Benefits.....	113	4,461	22,796	56,684	41,328	46,456
14 Alimony Received.....		242	364	711	1,287	1,763
15 Gross Dividends.....	114	1,904	3,847	5,594	8,577	8,970
16 Bond and Bank Interest.....	348	7,878	19,218	30,994	41,182	44,871
17 Annuity Income.....	15	69	439	676	1,808	2,040
18 Estate Income.....	7	316	1,361	1,845	3,043	3,071
19 Mortgage Interest.....	43	1,947	3,696	6,025	7,288	8,627
20 Other Canadian Investment Income.....		63	34	75	210	221
21 Foreign Investment Income.....	2	40	199	235	517	575
22 Miscellaneous Income.....	31	1,395	1,575	3,066	2,380	3,131
23 Total Income Assessed.....	10,422	144,469	415,510	597,701	816,648	908,275
<b>EXEMPTIONS AND DEDUCTIONS</b>						
24 Personal Exemptions.....	8,432	370,670	270,849	476,847	388,600	486,656
25 Canada Pension Plan Contributions.....	37	532	3,620	4,883	9,093	10,454
26 Registered Pension Fund Contributions.....	12	226	629	941	2,297	2,491
27 Retirement Savings Plan Premiums..	2	89	47	77	235	289
28 Standard Deductions.....	1,563	34,110	24,846	37,692	28,808	32,171
29 Medical Claims.....	31	332	2,419	4,011	6,828	9,054
30 Charitable Donations.....		10	1,079	1,607	3,697	4,138
31 Union and Professional Dues.....	13	170	629	838	1,726	1,832
32 Alimony Paid.....		44	27	72	135	271
33 Tuition Fees.....	85	2,669	6,017	16,566	7,512	8,212
34 Business Losses of Other Years.....		70	9	172	45	341
35 Deductions from Investment Income.....	2	147	48	76	221	264
36 Deductible Exp. of Employment.....	9	109	82	543	764	1,400
37 Other Deductions.....	20	93	132	700	470	839
38 Total Exemptions and Deductions..	10,206	409,271	310,431	545,025	450,432	558,412
39 Taxable Income Assessed.....	4,661	4,690	106,049	106,171	366,727	367,051
<b>TAX PAYABLE</b>						
40 Federal Tax Payable.....	618	618	6,264	6,264	24,977	24,977
41 Provincial Tax Payable.....	271	271	3,162	3,162	11,693	11,693
42 Old Age Security Tax Payable.....	174	174	4,126	4,126	14,522	14,522
43 Total Tax Payable.....	1,063	1,063	13,551	13,551	51,193	51,193
44 Canada Pension Plan Contributions by Individuals.....	231	727	3,686	4,950	9,085	10,440
45 Basic Tax.....	1,002	1,003	11,632	11,635	42,248	42,274
46 Surtax.....	10	10	7	7	16	16
47 Dividend Tax Credit.....	8	10	330	336	1,104	1,105
48 Foreign Tax Credit.....		1	9	13	26	57
49 Taxable Lump Sum Payments.....	863	1,173	2,910	3,278	3,147	3,328
50 Tax Payable on Lump Sum Payments.....	138	138	288	288	352	352

\$3,000-\$4,000		\$4,000-\$5,000		\$5,000-\$6,000		\$6,000-\$7,000		Item
Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	
374,752	374,752 12,136	358,601	358,601 3,667	350,665	350,665 1,178	325,210	325,210 891	1 2
374,752	386,888	358,601	362,268	350,665	351,843	325,210	326,101	3
335,078	346,120	336,835	339,757	337,078	337,808	316,641	316,956	4
\$	\$	\$	\$	\$	\$	\$	\$	
1,098,625	1,120,597	1,411,179	1,419,860	1,731,654	1,735,325	1,932,424	1,936,041	5
5,172	6,606	7,708	8,474	13,694	14,331	19,194	19,818	6
3,003	3,233	4,168	4,299	3,905	3,917	3,558	3,562	7
40,822	48,661	46,233	48,119	51,156	51,641	46,419	46,554	8
4,250	4,422	3,978	4,018	4,681	4,821	5,022	5,034	9
12,534	18,661	11,334	14,494	12,660	13,612	10,367	11,199	10
4,109	4,422	4,342	4,412	2,317	2,329	2,470	2,236	11
42,322	42,508	36,775	37,126	25,991	26,071	23,254	23,289	12
30,557	31,090	18,435	18,582	12,988	13,071	7,826	7,870	13
1,268	1,309	2,955	2,984	2,598	2,601	1,604	1,606	14
10,062	10,436	10,175	10,390	12,645	12,743	11,080	11,305	15
39,401	40,315	35,996	36,345	33,370	33,496	30,317	30,423	16
1,641	1,645	1,452	1,501	1,263	1,272	748	751	17
4,003	4,035	3,486	3,627	3,601	3,660	3,046	3,076	18
11,862	12,229	7,751	7,858	8,464	8,495	7,143	7,177	19
379	397	336	339	386	390	404	644	20
571	571	821	822	811	825	608	617	21
2,956	3,284	2,508	2,537	3,636	3,649	3,672	3,679	22
1,313,537	1,354,424	1,609,630	1,625,786	1,925,819	1,932,252	2,109,155	2,114,882	23
495,981	534,593	532,000	544,556	584,181	587,538	598,377	600,162	24
17,612	18,387	23,571	23,844	27,700	27,780	26,268	26,306	25
7,445	7,620	14,352	14,425	23,176	23,203	31,477	31,542	26
621	646	1,288	1,317	1,523	1,529	2,226	2,229	27
32,264	33,217	30,378	30,653	29,100	29,190	26,021	26,086	28
10,905	12,694	12,354	13,334	12,827	13,357	13,076	13,423	29
5,619	5,892	6,693	6,825	8,697	8,748	10,319	10,353	30
3,351	3,420	4,840	4,866	7,849	7,857	10,234	10,244	31
199	264	791	827	1,318	1,412	1,724	1,733	32
3,838	3,879	3,214	3,214	2,945	2,951	2,738	2,740	33
152	417	127	472	86	288	150	457	34
313	391	341	430	530	549	583	710	35
2,031	2,780	2,844	3,358	5,669	6,023	7,380	7,827	36
1,262	2,301	1,190	2,060	2,124	2,471	2,683	3,524	37
581,592	626,502	633,982	650,179	707,727	712,897	733,257	737,333	38
732,045	732,439	975,648	977,032	1,218,064	1,219,781	1,375,866	1,377,981	39
61,024	61,024	92,131	92,131	128,228	128,228	154,184	154,184	40
25,967	25,967	37,576	37,576	51,049	51,049	60,511	60,511	41
29,111	29,111	38,864	38,864	48,557	48,557	54,872	54,872	42
116,101	116,101	168,571	168,571	227,835	227,835	269,566	269,566	43
17,601	18,372	23,544	23,816	27,685	27,764	26,244	26,282	44
93,353	93,390	134,933	135,065	183,061	183,288	216,961	217,260	45
675	675	1,834	1,836	3,255	3,259	4,411	4,418	46
1,566	1,566	1,668	1,668	2,121	2,121	1,919	1,919	47
87	133	186	350	299	581	382	751	48
4,800	4,908	5,589	5,589	5,142	5,142	5,141	5,144	49
510	510	612	612	547	547	600	600	50



Table 9 (Continued)

# **ONTARIO INDIVIDUAL INCOME TAX RETURNS BY INCOME CLASS, TAXATION YEAR 1968**

(All Money Figures in Thousands of Dollars)

Item	\$7,000-\$8,000		\$8,000-\$9,000		\$9,000-\$10,000	
	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns
1 Number of Taxable Returns.....	250,732	250,732	166,446	166,446	108,714	108,714
2 Number of Non-Taxable Returns...		520		408		336
3 Total Number of Returns.....	250,732	251,252	166,446	166,854	108,714	109,050
4 Number Deducting CPP Contributions.....	245,080	245,280	161,962	162,053	105,344	105,379
<b>SOURCES OF INCOME</b>						
	\$	\$	\$	\$	\$	\$
5 Wages and Salaries.....	1,717,132	1,719,831	1,262,903	1,265,649	903,845	906,602
6 Commissions from Employment...	22,666	22,990	23,073	23,093	20,275	20,287
7 Commission Income from Self-Employment.....	2,875	2,883	3,199	3,201	2,888	2,888
8 Business Income.....	42,049	42,152	40,107	40,178	34,958	34,994
9 Professional Income.....	4,195	4,844	5,304	5,304	4,853	4,875
10 Farming or Fishing Income.....	7,449	8,003	6,962	7,426	4,893	5,135
11 Rental Income.....	3,320	2,581	4,231	4,240	3,370	3,380
12 Superannuation or Pension.....	15,117	15,124	14,796	14,820	8,962	8,966
13 Old Age Pension and Supplement and CPP Benefits.....	4,964	4,989	3,916	3,933	2,333	2,340
14 Alimony Received.....	563	563	772	772	940	940
15 Gross Dividends.....	11,197	11,269	9,596	9,629	11,022	11,052
16 Bond and Bank Interest.....	25,152	25,207	21,578	21,612	16,369	16,390
17 Annuity Income.....	928	936	524	525	352	354
18 Estate Income.....	2,557	2,609	2,790	2,822	2,748	2,775
19 Mortgage Interest.....	7,446	7,455	5,780	5,793	5,326	5,330
20 Other Canadian Investment Income.....	417	419	257	258	498	501
21 Foreign Investment Income.....	992	1,013	661	674	696	699
22 Miscellaneous Income.....	3,401	3,414	2,669	2,669	2,334	2,334
23 Total Income Assessed.....	1,872,422	1,876,283	1,409,116	1,412,598	1,026,662	1,029,841
<b>EXEMPTIONS AND DEDUCTIONS</b>						
24 Personal Exemptions.....	491,266	492,383	340,421	341,278	230,985	231,712
25 Canada Pension Plan Contributions.....	20,360	20,385	13,589	13,602	8,895	8,900
26 Registered Pension Fund Contributions.....	31,053	31,068	24,535	24,539	18,177	18,183
27 Retirement Savings Plan Premiums...	3,460	3,463	3,258	3,260	3,040	3,043
28 Standard Deductions.....	19,462	19,502	12,547	12,579	7,703	7,730
29 Medical Claim.....	11,846	12,048	7,860	8,050	5,003	5,098
30 Charitable Donations.....	9,619	9,642	8,108	8,124	6,832	6,845
31 Union and Professional Dues.....	8,335	8,341	5,450	5,457	3,530	3,540
32 Alimony Paid.....	2,231	2,232	1,460	1,463	1,541	1,552
33 Tuition Fees.....	2,166	2,172	2,020	2,022	1,154	1,156
34 Business Losses of Other Years.....	100	297	130	309	118	239
35 Deductions from Investment Income.....	572	681	533	554	632	650
36 Deductible Exp. of Employment....	7,909	8,204	7,401	7,418	7,130	7,134
37 Other Deductions.....	2,942	2,959	3,270	3,415	2,971	2,986
38 Total Exemptions and Deductions..	611,320	613,376	430,582	432,071	297,710	298,767
39 Taxable Income Assessed.....	1,261,075	1,262,978	978,510	980,586	728,934	731,101
<b>TAX PAYABLE</b>						
40 Federal Tax Payable.....	150,519	150,519	124,309	124,309	96,592	96,592
41 Provincial Tax Payable.....	58,504	58,504	47,877	47,877	37,003	37,003
42 Old Age Security Tax Payable.....	49,885	49,885	36,907	36,907	25,453	25,453
43 Total Tax Payable.....	258,907	258,907	209,094	209,094	159,048	159,048
44 Canadian Pension Plan Contributions by Individuals.....	20,346	20,370	13,570	13,582	8,857	8,862
45 Basic Tax.....	209,786	210,071	171,947	172,287	133,481	133,867
46 Surtax.....	4,674	4,681	4,083	4,091	3,300	3,310
47 Dividend Tax Credit.....	1,891	1,891	1,706	1,706	1,993	1,994
48 Foreign Tax Credit.....	593	942	493	902	791	1,250
49 Taxable Lump Sum Payments.....	4,588	4,588	4,215	4,215	2,025	2,025
50 Tax Payable on Lump Sum Payments.....	612	612	581	581	343	343

\$10,000-\$15,000		\$15,000-\$25,000		\$25,000 and over		Grand Total		Item
Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	
192,832	192,832 789	64,799	64,799 99	26,958	26,958 23	2,831,038	2,831,038 520,794	1 2
192,832	193,621	64,799	64,898	26,958	26,981	2,831,038	3,351,832	3
184,225	184,339	60,019	60,047	24,122	24,140	2,594,717	2,822,971	4
\$	\$	\$	\$	\$	\$	\$	\$	
1,855,951	1,863,420	789,892	791,052	485,098	485,502	14,172,207	14,525,213	5
74,585	74,828	66,957	66,970	51,460	51,517	307,910	315,423	6
12,189	12,191	8,727	8,727	5,794	5,799	52,411	53,968	7
116,549	116,688	77,199	77,259	40,360	40,713	567,925	591,760	8
31,323	31,334	86,569	86,585	300,715	300,728	454,462	456,745	9
19,424	20,286	12,917	13,271	4,042	4,213	110,375	120,002	10
12,176	12,185	9,184	9,179	11,303	11,138	63,067	62,079	11
23,278	23,286	12,526	12,539	8,795	8,795	254,159	268,655	12
5,588	5,607	3,231	3,235	2,068	2,068	156,142	200,388	13
1,413	1,413	922	922	347	347	15,033	16,172	14
40,604	40,912	51,456	51,521	113,991	114,112	294,366	299,837	15
45,810	45,881	36,275	36,298	50,386	50,436	395,403	420,148	16
2,336	2,338	1,725	1,725	1,578	1,578	14,811	15,411	17
10,702	10,757	11,538	11,555	19,511	19,513	68,392	69,659	18
16,422	16,436	14,268	14,274	16,428	16,580	111,916	118,227	19
1,689	1,701	1,825	1,825	5,736	5,736	12,169	12,568	20
3,212	3,240	3,883	3,891	11,272	11,956	24,243	25,157	21
6,961	6,968	5,569	5,573	3,850	3,851	41,541	45,552	22
2,280,212	2,289,469	1,194,664	1,196,401	1,132,734	1,134,583	17,116,532	17,616,964	23
428,219	429,991	149,407	149,659	61,854	61,901	4,580,573	5,307,946	24
15,997	16,013	5,550	5,554	2,529	2,531	174,821	179,168	25
47,041	47,057	25,982	25,989	10,983	10,989	237,159	238,272	26
11,904	11,919	14,960	14,990	18,331	18,341	60,896	61,191	27
12,163	12,221	2,892	2,898	734	736	228,480	278,787	28
11,851	12,163	5,153	5,227	2,860	2,871	103,012	111,663	29
20,013	20,060	15,903	15,915	21,312	21,360	117,891	119,519	30
5,357	5,387	1,420	1,424	311	311	53,044	53,684	31
4,174	4,184	3,143	3,149	3,511	3,574	20,255	20,780	32
2,039	2,041	501	501	144	144	34,373	48,268	33
293	697	372	604	698	919	2,279	5,282	34
2,724	2,980	4,656	4,723	14,043	14,470	25,196	26,623	35
23,933	24,131	19,159	19,186	12,485	12,498	96,796	100,612	36
5,603	6,248	1,761	1,795	2,105	2,659	26,534	32,050	37
591,312	595,093	250,858	251,613	151,899	153,304	5,761,308	6,583,844	38
1,688,846	1,694,491	943,748	944,797	980,794	981,536	11,360,969	11,380,634	39
251,496	251,496	182,450	182,450	283,366	283,366	1,556,157	1,556,157	40
95,917	95,917	68,906	68,906	106,516	106,516	604,951	604,951	41
46,009	46,009	15,532	15,532	6,467	6,467	370,478	370,478	42
393,421	393,421	266,888	266,888	396,348	396,348	2,531,586	2,531,586	43
15,965	15,981	5,537	5,541	2,525	2,527	174,876	179,215	44
345,995	347,092	248,685	248,912	383,042	383,416	2,176,127	2,179,558	45
9,134	9,163	7,042	7,048	11,317	49,758	11,328	49,843	46
7,541	7,542	9,704	9,704	21,010	21,010	52,563	52,572	47
3,696	4,948	2,911	3,158	2,816	3,201	12,288	16,288	48
5,067	5,067	1,536	1,537	408	408	45,432	46,403	49
824	824	316	316	122	122	5,845	5,845	50

Table 10

# ONTARIO INDIVIDUAL INCOME TAX RETURNS BY OCCUPATION, TAXATION YEAR 1968

(All Money Figures in Thousands of Dollars)

Item	Number		Total Income Assessed		Exemptions and Deductions	
	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns
1 Employees of Business.....	1,847,912	2,124,386	10,963,687	11,224,274	3,711,487	4,103,475
2 Employees of Institutions.....	162,606	189,779	723,862	748,394	266,077	302,244
3 Teachers and Professors.....	107,850	113,282	819,114	826,151	233,886	243,710
4 Federal Employees.....	100,909	111,398	680,286	688,845	225,379	240,154
5 Provincial Employees.....	85,771	94,525	566,928	576,044	192,890	206,004
6 Municipal Employees.....	109,710	120,169	688,948	698,998	247,709	262,732
7 Unclassified Employees.....	45,947	59,274	186,926	199,641	72,058	90,865
8 Total Employees.....	2,460,705	2,812,813	14,629,751	14,962,346	4,949,485	5,449,184
9 Farmers.....	35,157	73,765	190,545	231,873	88,158	184,860
10 Fishermen.....	271	406	1,142	1,354	561	831
11 Total Farmers and Fishermen..	35,428	74,171	191,687	233,227	88,719	185,691
12 Accountants.....	1,859	1,998	33,658	33,835	7,520	7,858
13 Medical Doctors and Surgeons...	6,756	6,780	223,399	223,430	32,730	32,766
14 Dentists.....	2,300	2,343	50,634	50,636	9,276	9,363
15 Lawyers and Notaries.....	3,679	3,746	102,474	102,522	15,695	15,905
16 Engineers and Architects.....	867	927	19,467	19,608	3,245	3,546
17 Entertainers and Artists.....	2,149	3,033	13,642	14,443	4,328	5,651
18 Other Professionals.....	5,246	6,045	45,002	45,680	12,656	13,962
19 Total Professionals.....	22,856	24,872	488,276	490,154	85,450	89,050
20 Salesmen.....	7,188	9,008	54,680	56,852	18,275	21,931
21 Forestry Operators.....	528	991	3,289	3,958	1,307	2,500
22 Manufacturers.....	4,705	5,989	34,291	35,480	11,442	14,280
23 Construction.....	17,492	21,754	121,523	128,476	44,980	56,013
24 Public Utilities.....	8,184	11,603	44,723	50,329	19,316	27,905
25 Wholesale Traders.....	3,346	4,273	27,620	29,036	8,731	11,153
26 Retail Traders.....	35,465	44,146	257,173	266,432	88,785	108,012
27 Insurance Agency Operators.....	1,086	1,105	11,160	11,164	3,074	3,104
28 Real Estate Agency Operators...	962	1,074	11,689	11,652	2,750	3,004
29 Other Finance.....	773	849	16,279	16,351	2,629	2,770
30 Recreational Service Operators...	1,240	1,593	9,083	9,092	3,081	3,636
31 Business Service Operators.....	1,051	1,329	8,761	8,997	2,643	3,167
32 Other Service Operators.....	25,941	34,390	146,621	156,771	57,134	74,106
33 Other Business Proprietors.....	1,101	1,494	7,957	8,659	3,008	4,018
34 Total Business Proprietors.....	101,874	130,590	700,168	736,398	248,881	313,668
35 Investors.....	88,794	110,061	587,097	605,741	164,076	197,807
36 Property Owners.....	19,400	27,540	123,942	130,786	39,128	52,384
37 Total Investment.....	108,194	137,601	711,040	736,528	203,204	250,191
38 Pensioners.....	91,028	131,512	324,949	382,890	160,782	234,729
39 Unclassified.....	3,765	31,265	15,981	18,569	6,512	39,400
40 GRAND TOTAL.....	2,831,038	3,351,832	17,116,532	17,616,964	5,761,308	6,583,844

*Canada Pension Plan  
Contributions By Individuals*

		<i>Taxable Income Assessed</i>		<i>Tax Payable</i>				<i>Item</i>
<i>Taxable Returns</i>	<i>All Returns</i>	<i>Taxable Returns</i>	<i>All Returns</i>	<i>Federal</i>	<i>Old Age Security</i>	<i>Provincial</i>	<i>Total</i>	
116,104	117,798	7,255,292	7,269,185	954,030	247,360	372,233	1,573,623	1
8,696	8,842	458,020	459,234	51,941	16,719	20,733	89,394	2
7,656	7,679	585,334	585,483	81,639	18,779	31,414	131,832	3
6,961	7,021	455,083	455,090	60,808	15,184	23,326	99,317	4
6,012	6,094	374,074	374,092	48,520	12,832	18,850	80,202	5
7,589	7,672	441,360	441,421	53,850	16,245	21,054	91,150	6
2,181	2,251	115,112	116,016	12,663	4,193	5,101	21,957	7
155,198	157,356	9,684,274	9,700,522	1,263,451	331,313	492,711	2,087,475	8
3,343	4,476	103,015	105,475	13,148	3,176	5,033	21,357	9
24	28	581	581	62	21	25	108	10
3,367	4,504	103,596	106,056	13,210	3,197	5,058	21,465	11
265	269	26,136	26,136	5,931	392	2,152	8,475	12
944	945	190,659	190,667	54,841	1,550	20,543	76,934	13
326	326	41,355	41,355	10,000	525	3,754	14,278	14
525	526	86,772	86,772	23,721	840	8,894	33,455	15
120	121	16,220	16,220	4,442	181	1,665	6,287	16
211	222	9,314	9,355	1,437	262	564	2,264	17
534	546	32,365	32,373	6,179	705	2,344	9,228	18
2,926	2,956	402,822	402,879	106,550	4,455	39,916	150,921	19
807	848	36,407	36,407	5,853	976	2,245	9,073	20
55	72	2,008	2,008	330	57	129	516	21
524	560	22,847	22,936	3,720	632	1,418	5,769	22
2,177	2,355	76,606	76,611	11,378	2,316	4,389	18,084	23
842	981	25,434	25,477	3,553	800	1,386	5,740	24
377	416	18,894	18,897	3,215	483	1,229	4,926	25
4,193	4,460	168,412	168,509	25,735	4,915	9,900	40,549	26
141	141	8,085	8,087	1,464	196	551	2,212	27
110	112	8,942	8,942	1,847	173	700	2,720	28
86	87	13,649	13,732	3,892	155	1,423	5,469	29
130	135	6,002	6,010	976	168	375	1,518	30
131	138	6,118	6,118	1,028	159	395	1,582	31
2,658	2,878	89,673	89,699	13,056	2,774	5,075	20,905	32
129	148	4,949	4,949	822	133	316	1,272	33
11,551	12,483	451,618	451,977	71,016	12,959	27,286	111,261	34
368	371	423,350	423,843	63,063	9,226	24,668	96,956	35
476	510	84,866	84,878	14,637	2,109	5,619	22,365	36
845	882	508,216	508,720	77,701	11,334	30,286	119,321	37
148	151	164,403	164,436	16,954	5,971	6,893	29,818	38
34	36	9,633	9,638	1,423	273	556	2,252	39
174,876	179,215	11,360,969	11,380,634	1,556,157	370,478	604,951	2,531,586	40









A20N  
24  
456

# Ontario Department of Revenue Annual Report 1971

97







# ANNUAL REPORT

## DEPARTMENT OF REVENUE

FOR FISCAL YEAR ENDED  
MARCH 31, 1971





*The Honourable E. A. Winkler*

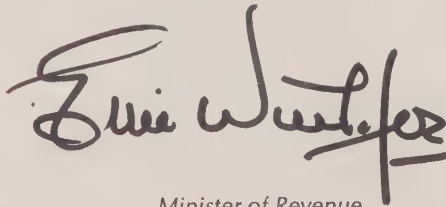
## Foreword

I am pleased to present the Annual Report of the Department of Revenue for the fiscal year ended March 31, 1971.

The Report provides information and statistics on the administration of the major tax statutes of the Province and the operation of the Province of Ontario Savings Office. Its organization follows generally the pattern established last year, although much of the historical detail has been deleted to allow greater emphasis on current developments and expansion of tabular material.

The financial highlights for the fiscal year include an increase of over 9 per cent in departmental revenue to \$2,916.6 million and a 12 per cent increase in deposits due to the public in the Savings Office to \$116.7 million. The cost of collection of taxes directly administered by the Department remained at a modest level, the cost per \$100 of net revenue being 73 cents for departmental cost and \$1.56 for total cost, inclusive of remuneration to vendors and tax collectors.

During the year progress was made in promoting proficiency in tax administration through an upgrading of the skills and expertise of the staff, and a number of administrative and other improvements were adopted. These developments were in furtherance of the continuing objective of the Department to ensure that the tax statutes are administered equitably, efficiently and courteously.

A handwritten signature in dark ink, appearing to read "Eric W. L. Jones", with a stylized flourish at the end.

September 1, 1971

Minister of Revenue

## Directory\*

Minister of Revenue .....	Hon. E. A. Winkler
Executive Assistant to the Minister .....	R. R. Charters
Deputy Minister .....	S. W. Clarkson
Director, Legal Services Branch .....	Miss S. J. Wychowanec
Director, Operational Audit Branch .....	M. H. Gibson
Director, Province of Ontario Savings Office .....	R. I. Nelson
Director, Research Branch .....	W. J. Smithson

### Revenue Division

Comptroller of Revenue .....	D. J. McClellan
Director, Corporations Tax Branch .....	R. J. Weiers
Director, Gasoline Tax Branch .....	J. Clayden
Director, Retail Sales Tax Branch .....	S. Garland
Director, Succession Duty Branch .....	I. Stephenson

### Administrative Division

Executive Director .....	B. S. Crowley
Director, Accounts Branch .....	J. S. Woods
Director, Office Services Branch .....	V. P. Giuffre
Director, Personnel Branch .....	W. E. Stanley
Director, Systems and Programming Branch .....	N. Yurchuk
Librarian .....	D. Tudor

\*As at September 1, 1971

## District Offices of Retail Sales Tax Branch

Belleville .....	220 Dundas Street East
Hamilton .....	361 King Street East
Kitchener .....	824 King Street West
London .....	1472 Dundas Street East
North Bay .....	649 Cassels Street
Orillia .....	26 Colborne Street East
Ottawa .....	Hampton Park Plaza
Sudbury .....	174 Douglas Street
Thunder Bay .....	229 Pearl Street
Toronto .....	85 Eglinton Avenue East
Welland .....	76 Division Street
Windsor .....	374 Ouellette Avenue

## Branches of Province of Ontario Savings Office

Aylmer .....	34 Talbot Street
Brantford .....	138 Dalhousie Street
Guelph .....	164 Wyndham Street North
Hamilton .....	36-38 James Street South
Hamilton East End .....	318 Ottawa Street North
London .....	353 Richmond Street
Ottawa .....	171 Sparks Street
Owen Sound .....	825 Secord Avenue East
Pembroke .....	40 Pembroke Street
Seaforth .....	Main Street
St. Catharines .....	106 King Street
St. Marys .....	134 Queen Street
Walkerton .....	236 Durham Street East
Windsor .....	372 Ouellette Avenue
Woodstock .....	396 Dundas Street
Toronto .....	Bay and Adelaide Streets
Toronto .....	Danforth and Fenwick Avenues
Toronto .....	Danforth and Woodbine Avenues
Toronto .....	Parliament Buildings Branch
Toronto .....	1556 Yonge Street
Toronto .....	University and Dundas





## Table of Contents

FUNCTIONS AND ORGANIZATION .....	8
REVENUE AND EXPENDITURE .....	10
Net General Revenue .....	11
Net General Expenditure .....	14
Cost of Collection .....	16
REVENUE SYSTEM .....	19
Corporations Tax Branch .....	19
Corporations Tax .....	19
Logging Tax .....	21
Gasoline Tax Branch .....	22
Gasoline Tax .....	22
Motor Vehicle Fuel Tax .....	22
Tobacco Tax .....	23
Retail Sales Tax Branch .....	24
Retail Sales Tax .....	24
Security Transfer Tax .....	25
Land Transfer Tax .....	25
Race Tracks Tax .....	25
Succession Duty Branch .....	26
Federal-Provincial Arrangements .....	28
Tax Collection Agreement .....	28
Share of Federal Estate Tax .....	28
Share of Income Tax on Certain Public Utilities .....	28
Tax Rental Agreement, 1952-56 .....	29
DEPARTMENTAL ADMINISTRATION .....	30
PROVINCE OF ONTARIO SAVINGS OFFICE .....	32
SUPPLEMENT .....	33

# Functions and Organization

The Department of Revenue is responsible for the administration of the principal revenue statutes of the Province of Ontario and for the operation of the Province of Ontario Savings Office.

There are currently eleven active revenue statutes for which the Department is responsible. Ten of these are administered directly by the Department, while the individual income tax imposed under The Income Tax Act is collected for and on behalf of the Province by Canada under a tax collection agreement.

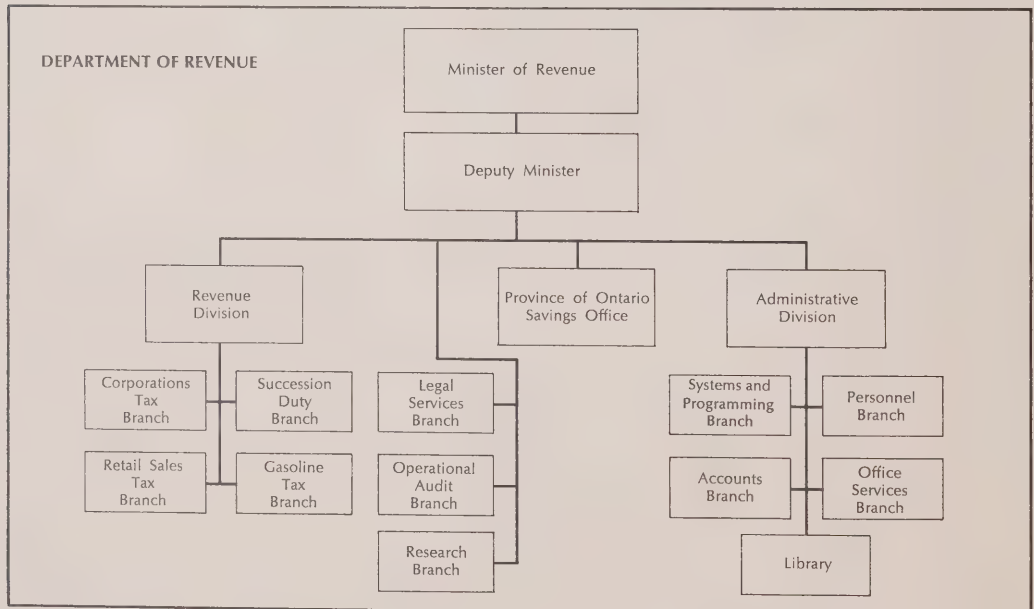
The organizational structure through which these functions are performed consists of two divisions – Administrative and Revenue – three staff branches, and the Province of Ontario Savings Office. All are under the direction of the Minister and Deputy Minister of Revenue.

The Administrative Division under the supervision of the Executive Director provides general administrative services. It is composed of the Accounts Branch, the Office Services Branch, the Personnel Branch, the Systems and Programming Branch, and the Library. In order to achieve greater efficiency and economy of

operation, most of these services are shared with the Department of Treasury and Economics and the Treasury Board Secretariat.

The Revenue Division consists of four tax branches under the supervision of the Comptroller of Revenue. Corporations taxes and logging tax are administered and collected by the Corporations Tax Branch; gasoline tax, motor vehicle fuel tax and tobacco tax by the Gasoline Tax Branch; retail sales tax, race tracks tax, land transfer tax and security transfer tax by the Retail Sales Tax Branch; and succession duty by the Succession Duty Branch. As a service to the Department of Justice, the Corporations Tax Branch collects the tax on fire insurance premiums imposed under The Fire Marshals Act.

In addition to the Province of Ontario Savings Office referred to above, the organizational structure includes three staff branches which perform specialized professional services to assist in the general administration and management of the Department. These are the Legal Services Branch, the Operational Audit Branch and the Research Branch.



---

## FUNCTIONS BY ORGANIZATIONAL UNIT

---

MINISTER OF REVENUE – Member of the Executive Council. Responsibilities as assigned under The Department of Revenue Act.

DEPUTY MINISTER OF REVENUE – Advises the Minister on policy matters. Co-ordinates and manages the activities of the Department.

LEGAL SERVICES BRANCH – Provides legal services for the Departments of Revenue, and Treasury and Economics. Handles litigation involving taxation.

OPERATIONAL AUDIT BRANCH – Reviews and appraises soundness, adequacy and application of accounting, financial and operational controls.

RESEARCH BRANCH – Prepares management information and statistics, provides revenue forecasts, and undertakes special studies.

PROVINCE OF ONTARIO SAVINGS OFFICE – Accepts interest-bearing deposits and operates savings accounts on which withdrawals may be made by cheque.

### Administrative Division

EXECUTIVE DIRECTOR – Administers and is responsible for the Administrative Division.

ACCOUNTS BRANCH – Provides accounting services for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

OFFICE SERVICES BRANCH – Provides mailing, purchasing, filing and similar services for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

PERSONNEL BRANCH – Administers personnel services for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

SYSTEMS AND PROGRAMMING BRANCH – Provides systems and programming services for the Department of Revenue. Performs special services and studies in data processing, forms design and control, and records management.

LIBRARY – Provides library facilities for the Departments of Revenue, and Treasury and Economics, and the Treasury Board Secretariat.

### Revenue Division

COMPTROLLER OF REVENUE – Administers and is responsible for the Revenue Division.

CORPORATIONS TAX BRANCH – Administers and enforces The Corporations Tax Act and The Logging Tax Act.

GASOLINE TAX BRANCH – Administers and enforces The Gasoline Tax Act, The Motor Vehicle Fuel Tax Act and The Tobacco Tax Act.

RETAIL SALES TAX BRANCH – Administers and enforces The Retail Sales Tax Act, The Security Transfer Tax Act, The Land Transfer Tax Act and The Race Tracks Tax Act.

SUCCESSION DUTY BRANCH – Administers and enforces The Succession Duty Act.

# Revenue and Expenditure

The net general revenue of the Department of Revenue accounts for over three-quarters of the net general revenue of the Province of Ontario. It includes the revenue raised under the major taxing statutes of the Province, the income of the Liquor Control Board of Ontario from the sale and control of alcoholic beverages, and payments under arrangements with the Government of Canada of a share of federal collections of estate tax and of corporation income tax from certain public utility companies.

In the fiscal year 1970-71, departmental net general revenue amounted to \$2,916.6 million. Taxes and fees directly administered by the Department produced \$1,692.6 million or 58 per cent of the total. Revenue of \$991.8 million or 34 per cent was received under the income tax collection agreement with the Government of Canada whereby the Department of National Revenue administers and collects the individual income tax imposed by the Province. The remaining \$232.1 million or 8 per cent of the departmental total was derived from other sources not directly administered by the Department, of which revenue from the

Liquor Control Board was the most important.

The activities of the Department of Revenue are carried out under three expenditure programs: Administration of Taxes (formerly known as the Collection of Taxes Program), Departmental Administration, and the Province of Ontario Savings Office. The gross general expenditure for these programs amounted to \$13.1 million in the fiscal year 1970-71. After deducting the reimbursement of advances of \$1.5 million to the Savings Office, the net expenditure for the fiscal year was \$11.6 million. Of this amount, the Administration of Taxes Program, which comprises the expenditure of the Revenue Division, accounted for \$9.5 million or 82 per cent. The Departmental Administration Program, which includes the cost of services provided to the Department of Treasury and Economics and the Treasury Board Secretariat, represented the remaining \$2.1 million or 18 per cent.

The subsequent pages of this section provide further details of departmental revenue and expenditure as well as estimates of the cost of collection of the taxes directly administered by the Department.

## REVENUE AND EXPENDITURE

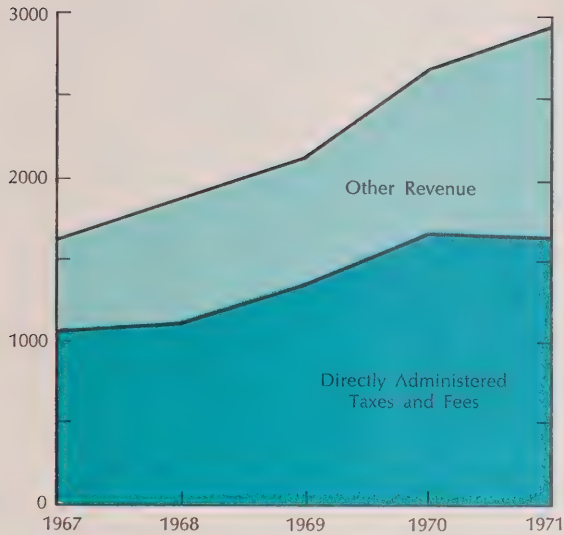
Fiscal years ended March 31, 1967 to 1971

Thousands of dollars

	1967	1968	1969	1970	1971
<b>NET GENERAL REVENUE</b>					
Directly Administered Taxes and Fees	1,057,750	1,163,246	1,355,652	1,696,293	1,692,598
Income Tax Collection Agreement	393,837	551,004	620,476	762,086	991,845
Other	154,494	171,218	219,504	213,429	232,137
Net Revenue	1,606,081	1,885,468	2,195,632	2,671,808	2,916,580
<b>NET GENERAL EXPENDITURE</b>					
Administration of Taxes	6,624	7,083	7,924	8,463	9,480
Departmental Administration	837	1,149	1,580	1,893	2,110
Reimbursement of Expenditure					
Province of Ontario Savings Office	1,094	1,219	1,270	1,419	1,547
Gross Expenditure	8,555	9,451	10,774	11,775	13,137
Deduct: Reimbursement of Expenditure	1,094	1,219	1,270	1,419	1,547
Net Expenditure	7,461	8,232	9,504	10,356	11,590

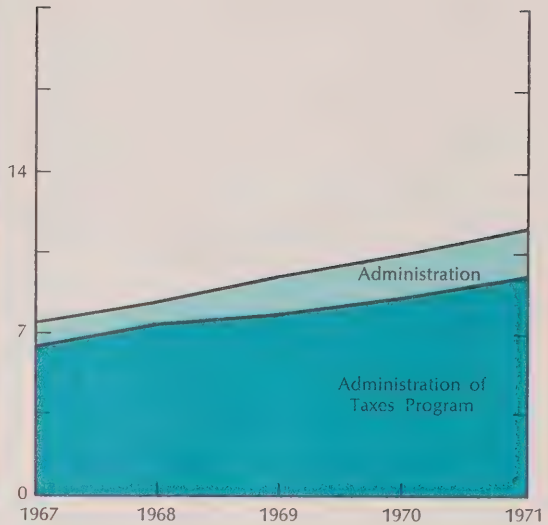
## Net Revenue

Millions of dollars



## Net Expenditure

Millions of dollars



## NET GENERAL REVENUE

In the fiscal year 1970-71, the net general revenue of the Department increased by \$244.8 million or 9.2 per cent to \$2,916.6 million. The overall increase was due very largely to increased revenue under the income tax collection agreement which rose by \$229.8 million or 30.1 per cent to \$991.8 million. A new arrangement for the acceleration of payments under the tax collection agreement by which the Province received an additional payment in 1970-71 of 1/12 of the estimated amount payable for fiscal year 1971-72, resulted in the unusually large increase in revenue from this source during the fiscal year.

Revenue from directly administered taxes and fees declined slightly from \$1,696.3 million to \$1,692.6 million. The major factor in this decline was a decrease of \$63.1 million or 13.2 per cent in corporations tax revenue from the exceptionally high level reached in 1969-70 as

a result in part of an acceleration in instalment payments which affected that year. Lower levels of taxable profits in 1970 also contributed to this decline.

Moderate increases were recorded in the other major revenue sources. Retail sales tax revenue rose \$36.9 million or 5.8 per cent to \$674.2 million and gasoline tax revenue by \$13.8 million or 3.8 per cent to \$375.8 million. Revenue from the Liquor Control Board rose by \$14.5 million to \$193.2 million in fiscal year 1970-71.

Among the less important sources, gains of over 11 per cent were realized in succession duty revenue and in motor vehicle fuel tax revenue. On the other hand, sharp declines were experienced in land transfer tax and security transfer tax revenues in response to lower levels of activities in these areas which coincided with the Province's fiscal year.



## NET GENERAL REVENUE

Fiscal years ended March 31, 1970 and 1971

Thousands of dollars

	1970		1971		Increase or (Decrease)
	Amount	Per Cent of Net Revenue	Amount	Per Cent of Net Revenue	
TAXES AND FEES					
Income Tax Collection Agreement	762,086	28.5	991,845	34.0	229,759
Retail Sales Tax	637,264	23.9	674,184	23.1	36,920
Corporations Tax	477,173	17.9	414,063	14.2	(63,110)
Gasoline Tax	361,937	13.5	375,778	12.9	13,841
Succession Duty	73,182	2.7	81,316	2.8	8,134
Tobacco Tax	71,695	2.7	75,301	2.6	3,606
Motor Vehicle Fuel Tax	29,840	1.1	33,334	1.1	3,494
Race Tracks Tax	20,873	.8	20,342	.7	(531)
Land Transfer Tax	14,548	.5	11,308	.4	(3,240)
Hospitals Tax	838	—	5	—	(833)
Security Transfer Tax	6,962	.3	5,264	.2	(1,698)
Logging Tax	1,977	.1	1,696	.1	(281)
Fees, etc.	4	—	7	—	3
Total Taxes and Fees	2,458,379	92.0	2,684,443	92.1	226,064
LIQUOR CONTROL BOARD OF ONTARIO					
Profits, Gallonage Fees, etc.	178,741	6.7	193,209	6.6	14,468
GOVERNMENT OF CANADA					
Share of Federal Estate Tax	26,818	1.0	28,383	1.0	1,565
Share of Federal Income Tax on Certain Public Utilities	8,795	.3	10,575	.3	1,780
Tax Rental Agreement, 1952-56	(925)	—	(30)	—	895
Government of Canada	34,688	1.3	38,928	1.3	4,240
REIMBURSEMENT OF EXPENDITURE					
Province of Ontario Savings Office Refund—Advances for Operating Expenses	1,419		1,547		128
GROSS GENERAL REVENUE	2,673,227		2,918,127		244,900
DEDUCT—Reimbursement of Expenditure	1,419		1,547		128
NET GENERAL REVENUE	2,671,808	100.0	2,916,580	100.0	244,772

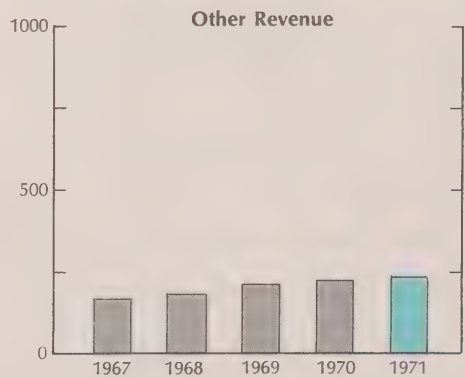
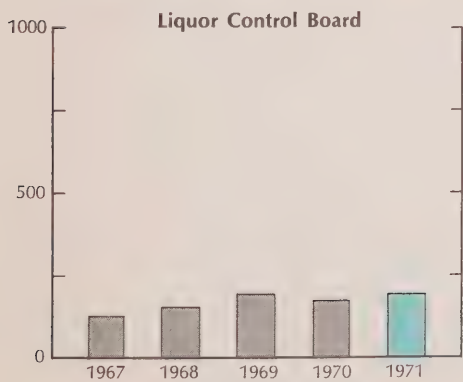
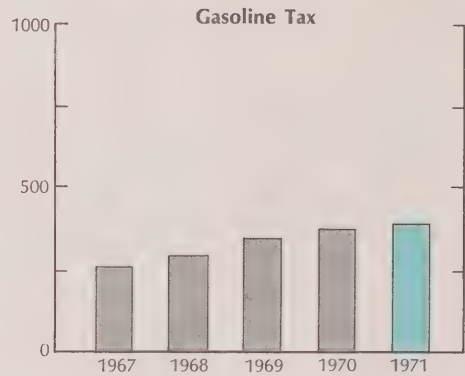
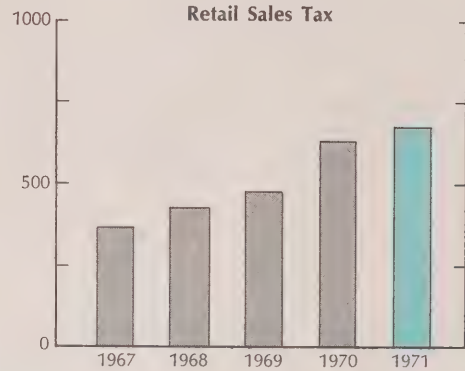
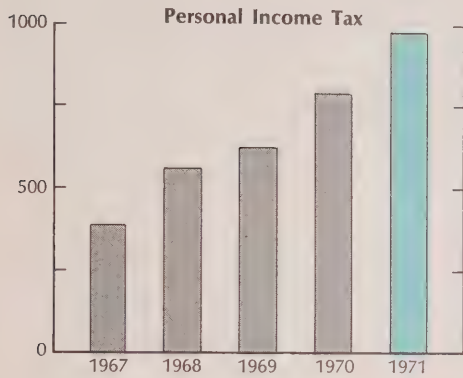
---

## NET GENERAL REVENUE BY MAJOR SOURCE

Fiscal years ended March 31, 1967 to 1971

Millions of dollars

---



## NET GENERAL EXPENDITURE

In the fiscal year 1970-71, the net general expenditure of the Department increased by \$1.2 million or 11.5 per cent to \$11.6 million, after deducting the reimbursement of advances of \$1.5 million to the Province of Ontario Savings Office.

The increase in the expenditure of the Administration of Taxes Program was \$1.0 million, to \$9.5 million. The increase was almost entirely due to higher rates of salary and wage payments resulting from general salary re-

visions and the introduction of a cash bonus system for unused sickness credits.

The Departmental Administration Program which comprises the remainder of the Department increased by \$.2 million to \$2.1 million. Here again, the increase was almost entirely due to higher rates of salary and wage payments resulting from general salary revisions and the introduction of a cash bonus system for unused sickness credits.

---

### NET GENERAL EXPENDITURE

Fiscal years ended March 31, 1970 and 1971  
Thousands of dollars

---

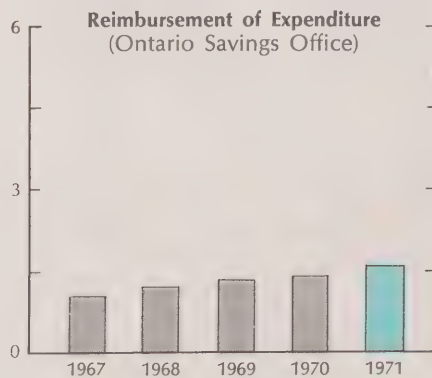
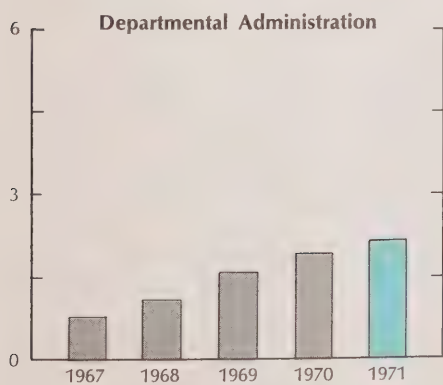
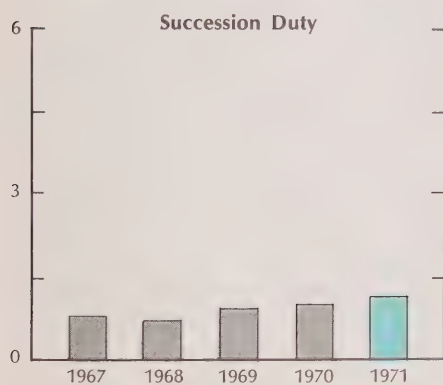
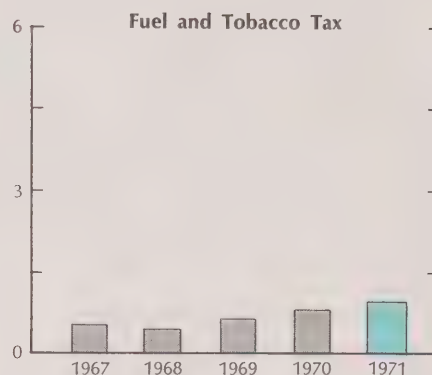
	1970		1971		
	Amount	Per Cent of Net Expenditure	Amount	Per Cent of Net Expenditure	Increase
ADMINISTRATION OF TAXES					
Corporations and Logging Tax	1,554	15.0	1,969	17.0	415
Fuel and Tobacco Tax	731	7.0	824	7.0	93
Succession Duty	1,020	9.8	1,115	9.7	95
Retail Sales Tax and Other Taxes	5,061	48.9	5,457	47.1	396
Administration	97	1.0	115	1.0	18
	8,463	81.7	9,480	81.8	1,017
DEPARTMENTAL ADMINISTRATION	1,893	18.3	2,110	18.2	217
REIMBURSEMENT OF EXPENDITURE					
Province of Ontario Savings Office Refund-Advances for Operating Expenses	1,419		1,547		128
GROSS GENERAL EXPENDITURE	11,775		13,137		1,362
DEDUCT-Reimbursement of Expenditure	1,419		1,547		128
NET GENERAL EXPENDITURE	10,356	100.0	11,590	100.0	1,234

---

## EXPENDITURE BY ACTIVITY

Fiscal years ended March 31, 1967 to 1971

Millions of dollars



## COST OF COLLECTION OF TAXES

This part of the section provides data on the cost of collection of taxes directly administered by the Department of Revenue. The total cost includes not only the related cost borne by departments of government but also the cost of remuneration to vendors and tax collectors. In arriving at the departmental cost, the net general expenditure of the Department of Revenue has been adjusted by adding the cost of space and employee benefits borne by other departments and then deducting the cost of administrative services provided to the Department of Treasury and Economics, the Treasury Board Secretariat and the Province of Ontario Savings Office.

In the fiscal year 1970-71, the total cost of collection amounted to \$26.3 million, an increase of \$2.3 million or 9.5 per cent over the preceding fiscal year. The departmental cost, inclusive of space and employee benefits, rose to \$12.4 million from \$11.1 million, while remuneration to vendors and tax collectors increased to \$13.9 million from \$12.9 million.

The cost per \$100 of net revenue rose during the fiscal year from 66 cents to 73 cents for departmental cost and from \$1.42 to \$1.56 for total cost. The upward movement reflected not only the higher cost of collection but a decline in the yield of the taxes directly administered by the Department. Receipts from these sources fell by \$3.7 million to \$1,692.6 million. Although there were yield increases in five of the

ten taxes, the major reason accounting for the decline was a decrease of \$63.1 million in corporations tax revenue. The reduction in this tax alone was thus a significant factor in raising the cost of collection of all taxes per \$100 of net revenue.

The cost is also shown for each of the taxes directly administered by the Department. Since general administrative services relate to all taxes and various collection procedures are integrated, the allocation by tax has required the adoption of certain assumptions. The resultant data are believed to be reasonably accurate, although in the case of taxes with relatively low yields the accuracy may not be of a high order.

In assessing the results for cost per \$100 of net revenue, it should be borne in mind that some taxes, because of their complexity, scope and manner of administration, are more costly to collect than other taxes. Furthermore, the cost in terms of net revenue can be altered appreciably by a sharp change in yield. In the fiscal year 1970-71, for example, while there was little change in the cost-revenue relationship for some taxes, the cost per \$100 of net revenue rose for such taxes as the corporations tax, the land transfer tax and the security transfer tax where there were declines in yield of 13.2 per cent, 22.3 per cent and 24.4 per cent, respectively.

### COST OF COLLECTION OF TAXES

Fiscal years ended March 31, 1969 to 1971

		1969	1970	1971
Departmental Cost	\$'000	10,320	11,163	12,404
Remuneration	\$'000	12,090	12,882	13,919
Total Cost	\$'000	22,410	24,045	26,323
Net Revenue	\$'000	1,355,649	1,696,289	1,692,591
Cost per \$100 of Net Revenue				
Departmental Cost	\$	.76	.66	.73
Total Cost	\$	1.65	1.42	1.56



## COST OF COLLECTION BY TAX

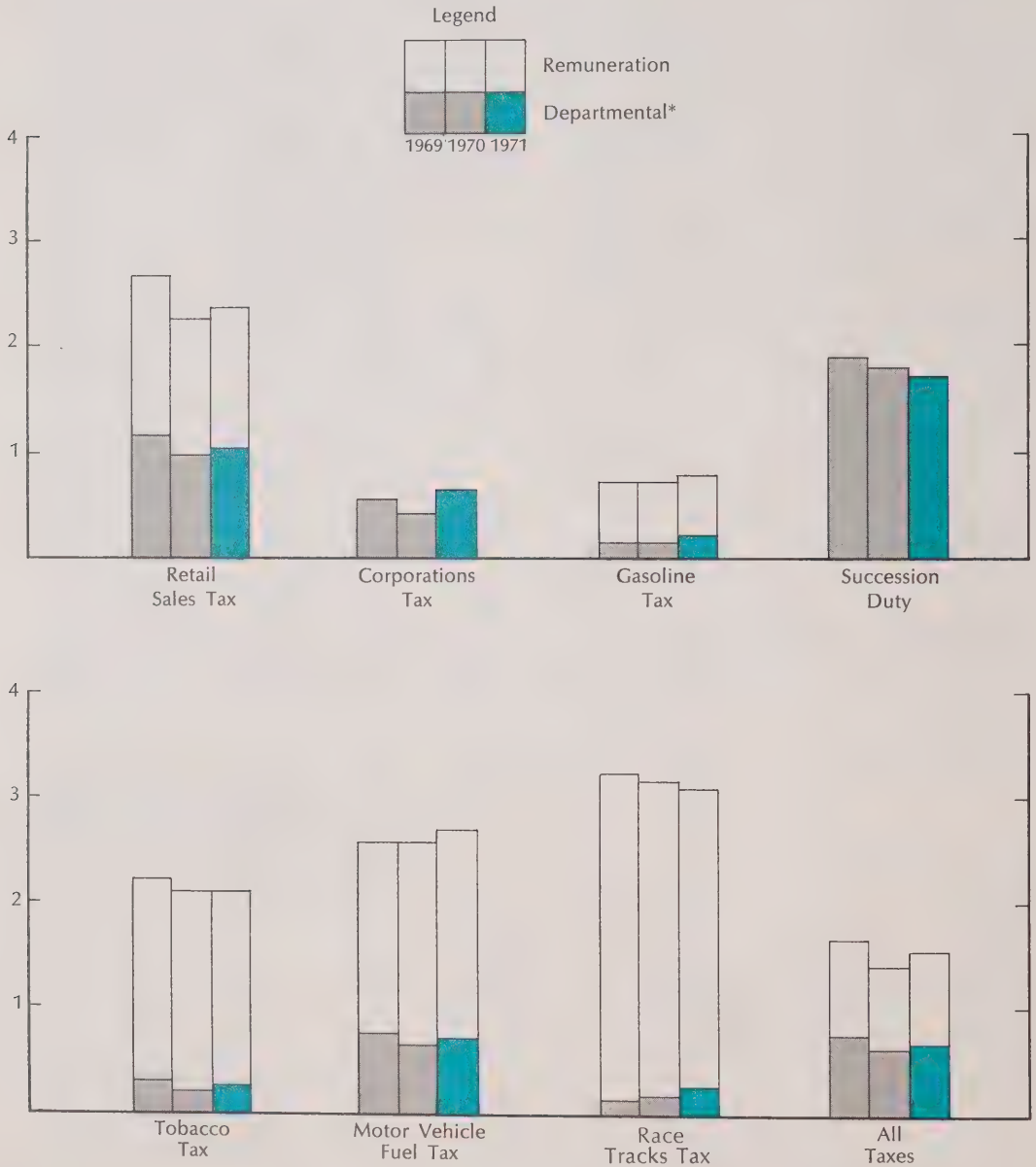
Fiscal years ended March 31, 1969 to 1971

	Fiscal year ended March 31	Cost of Collection			Net Revenue	Cost per \$100 of Net Revenue	
		Depart- mental	Remuner- ation	Total		Depart- mental	Total
		(Thousands of dollars)				(Dollars)	
Retail Sales Tax <sup>(1)</sup>	1969	5,620	7,500	13,120	485,588	1.16	2.70
	1970	6,379	8,020	14,399	638,102	1.00	2.26
	1971	6,838	8,905	15,743	674,189	1.01	2.34
Corporations Tax	1969	1,984	—	1,984	332,964	.60	.60
	1970	2,158	—	2,158	477,173	.45	.45
	1971	2,666	—	2,666	414,063	.64	.64
Gasoline Tax	1969	476	2,093	2,569	337,284	.14	.76
	1970	524	2,227	2,751	361,937	.14	.76
	1971	590	2,311	2,901	375,778	.16	.77
Succession Duty	1969	1,289	—	1,289	68,472	1.88	1.88
	1970	1,329	—	1,329	73,182	1.82	1.82
	1971	1,440	—	1,440	81,316	1.77	1.77
Tobacco Tax	1969	181	1,014	1,195	54,220	.33	2.20
	1970	199	1,288	1,487	71,695	.28	2.07
	1971	224	1,331	1,555	75,301	.30	2.07
Motor Vehicle Fuel Tax	1969	199	507	706	26,298	.76	2.68
	1970	217	582	799	29,840	.73	2.68
	1971	246	668	914	33,334	.74	2.74
Race Tracks Tax	1969	27	588	615	18,999	.14	3.24
	1970	31	642	673	20,873	.15	3.22
	1971	37	613	650	20,342	.18	3.20
Land Transfer Tax	1969	28	—	28	12,567	.22	.22
	1970	31	—	31	14,548	.21	.21
	1971	37	—	37	11,308	.33	.33
Security Transfer Tax	1969	183	120	303	7,374	2.48	4.11
	1970	191	123	314	6,962	2.74	4.51
	1971	195	91	286	5,264	3.70	5.43
Logging Tax	1969	97	—	97	1,444	6.72	6.72
	1970	104	—	104	1,977	5.26	5.26
	1971	131	—	131	1,696	7.72	7.72

<sup>1</sup>Including hospitals tax for fiscal years ended March 31, 1970 and 1971.

## COST OF COLLECTION OF SELECTED TAXES IN DOLLARS PER \$100 OF NET REVENUE

Fiscal years ended March 31, 1969 to 1971



\*Includes space and employee benefits.

# Revenue System

This part of the Report presents details on various operational aspects of the revenue raising functions of the Department and describes recent administrative improvements. Each tax is dealt with individually under the appropriate administering branch and is introduced by a brief description of the tax with emphasis on any legislative amendments which became

effective during the fiscal year. The material by tax is followed by a description of federal-provincial tax arrangements as they affect departmental revenue. Details of revenue from the control and sale of alcoholic beverages remitted by the Liquor Control Board of Ontario, are contained in the Annual Report of the Board.

## CORPORATIONS TAX BRANCH

### CORPORATIONS TAX

The Corporations Tax Act imposes a tax of 12 per cent on the taxable income of corporations and a tax of 1/10 of 1 per cent on their taxable capital. Special taxes are imposed on certain corporations in place of the above capital tax. These are a tax on banks of 1/5 of 1 per cent on the paid-up capital stock and 1/10 of 1 per cent on the reserve fund and undivided profits plus a tax on offices; a tax on railway track mileage; a tax of 1 per cent on investment in plant of a telegraph company; a track mileage tax on express companies; a tax of 1 per cent on the investment in equipment of a pullman car company; and a tax of 2 per cent on insurance companies, computed by reference to premiums.

### Amendments

The Corporations Tax Act was amended by a bill assented to June 26, 1970 containing 20 amending sections. Eight of the amending sections refer to either insurance companies or income from insurance policies. Most of the 20 amending sections are of a technical or administrative nature and in most cases were enacted to provide uniformity with the Income Tax Act (Canada).

A section which will produce substantial revenue both in income and capital taxes is section 64 as amended which limits the reserve against losses on mortgages for people who make a business of lending on mortgages to 1½ per cent of the amount of the mortgages. This percentage figure was formerly 3 per cent.

Present reserves are allowed to be reduced over a ten-year period. This section is similar to federal legislation.

Another amendment permits the capitalization as a depreciable asset of interest on money borrowed to acquire depreciable assets. This means that mortgage interest may be added to the cost of an asset such as a building, rather than charged as an expense, if the taxpayer so elects. Thus, expenses which otherwise might never be chargeable to income if a corporation had continuous losses, may be carried forward indefinitely and claimed as capital cost allowance if the corporation eventually makes a profit. The legislation makes a similar concession in respect of interest on money used for exploration, prospecting or development by allowing the interest to be capitalized as deferred development costs. This agrees with federal legislation.

The amending bill also introduced a time limit on reassessments by the Corporations Tax Branch. An assessment for the 1970 and subsequent fiscal years may not be re-opened more than six years after the date of mailing of the original notice of assessment. Exceptions are made in cases of fraud or negligence by a taxpayer, or failure to supply financial statements. Also, if a corporation has claimed a deduction for past service pension expense, the six year limit does not apply. The introduction of the time limit does not prevent the taxpayer from requesting a waiver of the limit. This might be done if there was some unresolved tax problem, such as a jurisdictional conflict, which the taxpayer was interested in having settled.

There are 19 government owned corporations that are "prescribed" for the purposes of The Corporations Tax Act. "Prescribed" means that these corporations are liable to taxation. A regulation to the Act filed October 13, 1970 prescribed Polymer Corporation Limited. The other corporations prescribed are mainly the C.N.R. and its affiliates.

## Administration

The 1971 corporations tax roll comprised over 105,000 corporations, a net increase of 4,600 over the preceding year. In 1950, there were only 30,000 corporations on the tax roll. The growth in the size of the tax roll is evidence of the continually expanding workload of the Branch.

It is necessary and mandatory to insist on the filing of a return by all corporations even though some may not be operating. A penalty is imposed for late filing of 5 per cent of the unpaid tax with a maximum of \$500. Interest is also levied on taxes due and unpaid at 9 per cent. This interest applies to instalments of tax as well as tax due on filing or on reassessment, and is calculated for the most part by computer. The total of interest and penalties billed by the Branch was \$2,150,000 for the fiscal year 1970-71. Despite the penalty, 21,800 returns were not filed on time during the year.

After a reminder letter has been sent to a corporation that has not filed a return, a registered demand letter on an officer of the corporation is mailed indicating that he is personally liable to a fine of \$25 per day for each day of default. If no return is received, court action may be authorized. Court action resulted in 548 prosecutions during the year.

### *Collection and Enforcement*

Collection action on overdue accounts is initially by correspondence and telephone. Collection officers call on corporations where correspondence and telephone requests appear ineffective. Personal calls last year resulted in collection of \$1,480,000.

Where money is not forthcoming after these efforts, the Branch may use legal remedies such

as garnishments or warrants of execution. Last year there were 39 garnishments which produced \$109,000 and 77 sales by warrant of execution which produced \$178,000. Arrangements were made for extended terms of payment in respect of \$514,000. Security was accepted for \$2,695,000.

In ensuring the efficient and equitable collection of corporations tax, the provisions of section 91 of The Corporations Tax Act are very important. The section imposes a first lien and charge on all corporation property for corporation taxes owing and is particularly valuable in ensuring collection of taxes arising from real estate transactions. The Branch receives daily about 300 "requisitions on title". These are enquiries from lawyers acting for purchasers of real estate asking whether the Department claims a lien for taxes against the property that is being purchased. The Department can request payment of any taxes owing by corporations which are or have been on title to the property. Also there are frequently taxes arising from profits on the current transaction in which case payment of such tax is requested if the corporation is selling the last of its property. This is an important safeguard as it would be difficult to collect such taxes at a later date when the return is filed if the proceeds had all been distributed to the shareholders on the assumption that the profits were not taxable. For the fiscal year ended March 31, 1971 the taxes paid to secure release of the Department's lien totalled \$4.2 million.

The above figure is not the full measure of the tax payments attributable to the lien provision as many taxpayers about to engage in a transaction bring their accounts up-to-date before the Lien Unit is approached. Payments of this type are not included in the above figure.

The process of collecting arrears by the usual methods is often long drawn out and costly, whereas the Lien Unit's experience is that the required payments are in most cases paid promptly. Other advantages to the Department, although difficult to measure in dollar amounts, are the delinquent returns, financial statements or other information filed to lift a lien which might otherwise not be the case.



### *Reassessments*

In the fiscal year ended March 31, 1971, the gross increase in tax on reassessments amounted to \$19.8 million or 50 per cent more than the gross figure of \$13.2 million for the 1969-70 fiscal year. The 1971 gross increase was off-set by \$8.6 million for reductions in income by the carrying back of subsequent years losses and by \$7.2 million for other reasons. Thus, the net tax increase on reassessments was \$4.0 million or almost double the corresponding net figure for 1969-70 of \$2.1 million.

The higher net increase in tax on reassessments in 1970-71 is partly explained by the fact that the number of corporations liable to pay capital tax increased greatly because of the repeal in 1969 of Section 12 of The Corporations Tax Act. Other reasons for the increase were the wider coverage that has been made possible by an increase in the assessing staff, as well as the continuing discrimination in the direction of auditing effort made possible by the use of the computer for audit selection.

### *Insurance Premiums Tax*

Section 13 of The Corporations Tax Act levies a tax of 2 per cent of gross premiums on insurance corporations and the administration of this tax represents a very successful example of intergovernmental co-operation dating back over ten years. The administration of the tax is conducted as a "co-operative audit" on the basis of information received from the federal Department of Insurance. From this informa-

tion, schedules are made and distributed to other provinces.

## **FIRE MARSHALS TAX**

The Corporations Tax Branch also administers the fire insurance premiums tax provisions of The Fire Marshals Act whereby payments in respect of fire insurance except those for re-insurance, premiums returns, and dividends paid to policy holders by mutual companies and reciprocal exchanges, are taxed. The rate of tax is  $\frac{2}{3}$  of 1 per cent calculated on gross premiums.

The tax is collected by the Branch for and on behalf of the Department of Justice. The amount transferred to that Department in the fiscal year 1970-71 was \$1,029,000.

## **LOGGING TAX**

The Logging Tax Act imposes a tax of 10 per cent on income in excess of \$10,000 that is derived from logging operations in Ontario. The tax applies to any person or corporation or combination thereof that engages in logging operations in Ontario. In addition to the sale of logs and by-products obtained from logs, logging operations include the sale of standing timber, the right to cut standing timber, the acquisition of logs, and similar activities. A federal-provincial arrangement adopted in 1961 provides for a tax credit of one-third of the logging tax under The Corporations Tax Act (Ontario) and a credit of two-thirds of the logging tax under The Income Tax Act (Canada).

---

## **CORPORATIONS TAX ROLL STATISTICS**

Fiscal years ended March 31, 1969 to 1971

---

	1969	1970	1971
Number of Active Corporations	93,324	100,386	105,024
Net Increase to Tax Roll for the previous twelve months	5,852	7,062	4,638
New Incorporations	9,357	11,420	8,875
Surrenders, Withdrawals, etc.	3,505	4,358	4,237

---



## GASOLINE TAX BRANCH

### GASOLINE TAX

There were no changes in the rates of gasoline and aviation fuel taxes during the year. The present rates of 18 cents per gallon for gasoline and 3 cents per gallon for aviation fuel were imposed on March 13, 1968. There were no legislative changes or amendments to the regulations.

### Administration

During the fiscal year 1970-71, no significant changes were made in the tax collection procedure. Gross revenue received rose from \$378.9 million in 1969-70 to \$392.1 million in the current year, an increase of 3.5 per cent. The volume of gasoline consumed during the fiscal year under review showed an increase of 3.8 per cent, rising from 2,230.8 million gallons in 1969-70 to 2,316.6 million gallons in 1970-71. The increases in gross receipts and gallonage fell from 6.50 per cent and 6.47 per cent in 1969-70 to 3.48 per cent and 3.84 per cent respectively in 1970-71.

During the year, 59 audits of the major collectors of gasoline tax were carried out resulting in 29 assessments with a total tax recovery of \$186,000. The co-operative audit on inter-provincial transactions conducted in conjunction with the Province of Quebec resulted in a

recovery for Ontario of \$13,000 in gasoline taxes. This was the first time for many years in which imports from Quebec exceeded the exports.

Once again refunds of gasoline tax showed a decline over the previous year. Farm and industrial claims decreased in both number and total value, and the declines may be due to an increased use of diesel powered equipment.

The review of claims prior to payment produced a gross tax recovery of \$236,000. A number of claims were understated by the claimants. These were increased to full entitlement resulting in additional payments of \$52,000.

The policy of audit selection was continued. A total of 213 claimants were audited in detail and in 98 instances the claims submitted were in excess of entitlement. The recovery of tax in these 98 instances amounted to \$137,000. This was a decrease of \$94,000 from the previous fiscal year, and was due for the most part to the transfer of audit selection from one industrial area to another.

### MOTOR VEHICLE FUEL TAX

The tax on motor vehicle fuels is 24 cents per gallon, the rate established on March 13, 1968. No amendments were made to either the Act or the regulations during the year and the tax

### GASOLINE TAX CLAIMS PAID BY CLASS

Fiscal years ended March 31, 1969 to 1971  
Thousands of dollars

Type of Claim	1969		1970		1971	
	No.	Value	No.	Value	No.	Value
Farming	114,488	12,992	106,238	12,627	100,555	12,349
Industrial	9,125	2,119	7,167	1,910	5,871	1,631
Marine	42,645	861	3,505	294	955	245
Commercial Fishing	544	73	438	62	373	58
Other Governments and Public Utilities	244	291	228	314	265	189
Railroads	57	99	62	110	66	132
Tourist	1,341	310	105	17	126	14
Miscellaneous	3,123	1,606	3,063	1,455	3,251	1,530
Retailer Allowances	3,467	190	3,456	195	3,247	189
Total	175,034	18,541	124,262	16,984	114,709	16,337

remains exigible on diesel fuel consumed in a licensed motor vehicle or equipment operating on or in connection with road construction and maintenance.

### Administration

The number of distributors and consumers registered under the Act totals approximately 1,600. The majority of the registrants are distributors and the bulk of the tax is remitted by relatively few organizations such as the major public carriers and the oil companies.

Gross revenue for the fiscal year rose to \$33.8 million, an increase of \$3.5 million or 11.2 per cent over the previous year. Refunds of tax amounting to \$431,000 were almost the same as for the previous year. The volume of taxed diesel fuel consumed in Ontario rose from 129 million gallons in 1969-70 to 144 million gallons in the current year, an increase of 11.6 per cent.

The number of refund claims paid was 686 against 655 payments made in the previous year. In comparing these claims with those for gasoline tax, it should be borne in mind that, unlike gasoline tax refunds, diesel fuel refunds do not represent the use of fuel for non-taxable purposes. The bulk of the users of middle distillate fuel for non-taxable purposes have access to non-taxed fuels and no refunds of tax are payable.

### TOBACCO TAX

The present rates of tobacco tax were introduced for cigarettes in March 1969 at 2/5 of a cent for each cigarette, and in March 1968 for pipe tobaccos at 2½ cents per ounce or part of an ounce and for cigars at ½ of a cent for every 5 cents or part thereof of the price at retail.

### Amendments

Changes were made to The Tobacco Tax Act in 1970. The main changes were to provide authority for an inventory tax when necessary,

and to require a wholesale dealer to obtain from the Minister a certificate that all taxes have been paid on the bulk sale of tobacco. A third change was to create a preferred rather than a secured creditor status for the Crown in the event of a bankruptcy. A change was also made in the regulations increasing the interest charge from 6 per cent to 9 per cent per annum whenever there was a default in the remittance of the tax. Prior to this regulation, the interest charge had been established in the Act.

### Administration

No basic changes were made in the collection procedure during the year, although preliminary work on the computerization of tax collection and audit selection programs was completed.

Revenue received during the year amounted to \$75.3 million, an increase over the previous year of \$3.7 million or 5.2 per cent. This kind of increase was experienced throughout North America generally and was not entirely expected in view of the publicity given to the health aspects of smoking. The tax on cigarettes provided 93 per cent of the revenue with the balance almost equally divided between pipe tobaccos and cigars.

During the fiscal year, the consumption of taxed cigarettes increased by 5.9 per cent to 17,877 million, after having declined in 1969-70 to 16,886 million from the level of approximately 17,300 million which had prevailed in the prior three fiscal years. Cigars rose by 15.4 million to 228.5 million, while pipe tobaccos remained unchanged at about 5.9 million pounds.

The examination of collectors' reports was continued during the year and revealed tax underpayments of \$237,000 and overpayments of \$61,000. In addition, 141 audits and investigations were conducted which resulted in a net recovery of \$83,000 in tax.

## RETAIL SALES TAX BRANCH

### RETAIL SALES TAX

The Ontario retail sales tax is payable by every purchaser on the purchase of tangible personal property for consumption or use in Ontario, with certain exceptions such as food, fuel, prescribed drugs and medicines, children's clothing, students' supplies and a number of others. Tax is also payable by purchasers of telephone services, telegraph services and transient accommodation.

The rate of tax is 5 per cent with the exception of purchases of liquor, wine, bottled beer, meals over \$2.50 and admission charges to places of amusement in which cases the rate is 10 per cent.

The tax is collected from the purchaser at the time of sale by registered vendors acting as agents for the Crown.

### Amendments

Several changes were made during the fiscal year ended March 31, 1971.

Previously, hospitals, nurses' residences, schools, universities and municipalities were permitted to purchase sewage disposal equipment for installation in sewage disposal plants exempt of tax. Effective April 1, 1970, this specific exemption was withdrawn and replaced by tax equivalent grants as part of the Government's program to encourage the installation of anti-pollution equipment. Under The Pollution Abatement Incentive Act, 1970, which took effect on the same date, grants equivalent to retail sales tax were made available for pollution abatement equipment installed by any owner of a source of pollution.

The remaining changes were basically of a relieving nature. For instance, exemption from the payment of tax was provided to municipalities and local boards on their purchases of chlorine and other chemicals used in the treatment of sewage and also on their acquisition of certain electrical equipment resulting from an amalgamation or annexation.

The definition of "local boards" was extended, effective October 15, 1970, to include the Ontario Water Resources Commission and

Conservation Authorities and consequently, these bodies are entitled to exemption from the payment of tax on materials incorporated into the construction of capital works.

The definition of "farming" was broadened, effective June 9, 1970, to include the breeding of fur-bearing animals for the purpose of selling their pelts, allowing those engaged in this operation the same relief as is extended to farmers.

The most significant change of the fiscal year was the one, effective June 1, 1970, providing relief to manufacturers on their purchases of dies, jigs, fixtures and moulds, patterns for dies, jigs, fixtures and moulds, tools attached to production machinery, explosives and refractory materials. To qualify for exemption, these items of equipment must conform with definitions made by the Minister and must be consumed or expended directly in the manufacturing process.

A further change, effective June 1, 1970, provided for the payment of interest on refunds of tax resulting from an overpayment.

### Administration

The Retail Sales Tax Branch administers 123,000 registered vendors. About fifty per cent file returns each month, while smaller vendors file less frequently. In the fiscal year 1970-71, the Branch processed 820,000 returns.

Assessments of tax arising from audits of vendors continued at approximately the same rate as last year. The number of audits completed, including close-outs of vendors, bankruptcies and rebates, totalled 21,700. In addition there were 12,333 inspections of small vendors. The revenue from retail sales and security transfer tax audits amounted to \$12.3 million. The revenue per man hour rose from \$39 in 1969-70 to \$45 in 1970-71, owing to broader coverage and economy of time which have resulted from developments in the audit program. Many large vendors fell due for audit in 1970-71 and these were included without a significant fall in the total number of audits completed.

Further refinements to the methods by which audits are selected are presently under study. Specifically, criteria are being sought which will give appropriate priority in audit to those accounts where it is suspected that a liability exists. It is hoped that such methods of selection can be introduced during the coming year, which will make it possible to avoid the building up of a large liability before the vendor receives a visit from an auditor.

To provide convenient service to the public, the Retail Sales Tax Branch has twelve district offices throughout the Province. Vendors and taxpayers can contact these offices whenever they have a problem.

### SECURITY TRANSFER TAX

The security transfer tax applies to the sale or market price at which a sale, transfer or assignment is made of any securities such as bonds, debentures, royalties, investments or shares. The tax extends both to changes of ownership taking place within the Province and to orders for sale to be executed elsewhere.

The sale, transfer or assignment of any bond, debenture or share of a debenture stock issued by Canada, any province of Canada, or any municipality or school board in Ontario is exempt from the tax as is the first issue or allotment of any corporation, the transfer or assignment of a security as collateral security or other trust arrangements, properly documented.

The rate of tax on bonds, debentures, debenture stock, royalties, investments and trust certificates is 3 cents per \$100 or fraction thereof of the par value. On shares, the rate is graduated in steps from 1/10 of 1 per cent for shares under \$1.00 to 4 cents per share plus 1/10 of 1 per cent of the value in excess of \$150, for shares over \$150.

Meetings have been held throughout the year between the Ontario Minister of Revenue

and the Quebec Minister of Revenue with a view to eliminating through reciprocity any duplication of tax that might arise because of the similarity of the provisions of the respective security transfer tax statutes.

### LAND TRANSFER TAX

The Land Transfer Tax Act requires every person who tenders for registration any instrument which grants, assigns, conveys, or transfers land to pay the tax due prior to registration. In the Act, land includes tenements, hereditaments, and other realty, any estate or interest in lands, any fixtures and any goodwill.

The Crown and all foreign states are exempt from tax. In addition, as a result of judicial decisions, charges against land passing by will and for interspousal transfer are also exempt.

The rate of tax is 1/5 of 1 per cent on the value of consideration up to \$25,000 and 2/5 of 1 per cent upon the remainder. The tax is payable on tendering for registration and is levied on the value of consideration and not on the value of the land. It is anticipated that the transferee will tender for registration and pay the tax but if the affidavit is made by the transferor or his agent, the transferor is jointly and severally liable for the tax, although he has the right to recover any amount paid under this provision from the transferee.

Close co-operation continues to be maintained with the Department of Justice in providing information and assistance to the Registrars and Masters of Title in the field.

### RACE TRACKS TAX

The race tracks tax is payable by holders of winning tickets and is calculated by applying 7 per cent to the total amount bet or wagered before allowing any deductions by the operators of the race meeting. The holder of the meeting acts as a tax collector for the Province.



## SUCCESSION DUTY BRANCH

The British North America Act limits provincial taxing powers to "direct taxation within the province in order to the raising of a revenue for provincial purposes." This limitation is the most important single influence in the form and method of The Succession Duty Act. This means that the person or property subject to taxation must be within the Province at the time the tax is levied, which is the date of death of the deceased.

In imposing a succession duty as distinct from an estate tax, The Succession Duty Act levies duty in respect of such succession, and the rate of tax is determined by three factors:

1. The size of the estate.
2. The relationship of the individual successor to the deceased.
3. The value of the individual succession.

Beyond the actual levy, and distinct from it, the Act creates a personal liability for the duty on any beneficiary in Ontario. In creating this distinct personal liability the theory is that an obligation or debt is created which is recoverable from the person without recourse to the property which has passed to him.

There are three separate subjects which form the basis of the levy for duty:

1. Property situate in Ontario which passes on the death of the deceased, including property which is deemed to pass on death.
2. A person to whom there is a transmission.
3. A person to whom there is a disposition, that is a lifetime gift.

The duty assessed is levied against the person receiving the benefit, and is borne by that beneficiary under the provisions of the Act. The initial rate of duty is governed by the aggregate value of the total estate, and the additional rate is determined by the portion of the aggregate value passing to the beneficiary.

Beneficiaries are divided into three classes, each with its own rate schedule, exemptions and deductions:

1. Preferred class, composed principally of members of the deceased's immediate family.

2. Collateral class which includes some relatives of a lineal ancestry such as brothers and sisters of the deceased and their descendants.
3. The stranger class which includes all beneficiaries not comprised in the first two classes.

### Amendments

A number of amendments were made to The Succession Duty Act in 1970.

#### *Dependant's Allowance*

Effective April 1, 1970, the "dependant's allowance", more commonly called the dependant's exemption, was increased from \$75,000 to \$125,000. The increased exemption was made available equally to both widows and widowers, as the former restrictions related to widowers were removed. Previously, in order for a widower of a deceased to qualify for exemption, it was necessary for him to be infirm, and also for the deceased to have been survived by a dependent child.

#### *Common-law Wife or Husband*

Effective April 1, 1970, the common-law wife or the common-law husband may qualify for the dependant's exemption. The amendment defines the common-law status in broad terms to relieve unnecessary hardship, and to bring the law into line with current social attitudes.

#### *Revaluation of Assets*

This amendment provides that in the event of the death or remarriage of an annuitant within four years of the death of the deceased, upon application the property passing on the death may be revalued to take into account the reduced capital value of the annuity. Before the amendment, the value of the pension was related to the life expectancy of the annuitant and was not subject to adjustment in the event of the premature death or remarriage of the annuitant.



### *Waiving of Consents*

This amendment permits a corporation having a head office in Ontario to transfer its shares registered in the name of the deceased, without the consent of the Minister provided that,

- (a) the deceased died domiciled and resident outside of Ontario,
- (b) the certificates for the shares were at the time of death of the deceased physically situate outside of Ontario,
- (c) the transfer will be effected at a place of transfer outside of Ontario where the corporation maintains an agency for the transfer of its shares.

This change eliminates a great deal of non-revenue-producing paper work for the Branch, and at the same time permits estate representatives to proceed with the administration of estates without the technical involvement of having to make application to the Minister for the consent to transfer.

### *Interest*

While the Act formerly stated that interest at the rate of 6 per cent per annum be charged on unpaid duty, and that interest at the rate of 3 per cent per annum be allowed on overpayments, the various sections now refer to a rate as prescribed by the regulations. Thus, the rate of interest can be set by Order in Council without the requirement of an amending statute. Presently, the regulations provide for interest at the rate of 9 per cent to be charged on unpaid duty, and interest at the rate of 4 per cent per annum to be allowed on overpayments.

### **Administration**

Reference was made in the 1970 Annual Report to the comprehensive review that had been undertaken on the administration of the Succession Duty Branch. The beneficial results of that review became more evident during 1971.

The quality and quantity of work have continued to improve. Staff training programs directed towards all phases of the operation

have assisted in the development of great expertise by all members of the staff of the Branch in this specialized field of taxation.

The administration of The Succession Duty Act was transferred to the Minister of Revenue by The Department of Revenue Act, 1968. Amendments were made during the year both to The Succession Duty Act and to the regulations to the Act, and the majority of the amendments made, particularly to the regulations, reflect this organizational change.

While the number of returns both dutiable and exempt received by the Branch declined when compared with the preceding year, the activity of the Branch increased in other areas as indicated in the following statistics:

### **RETURNS, VALUATIONS AND CONSENTS**

Fiscal years ended March 31, 1970 and 1971

	1970	1971
Number of Returns Received	45,000	44,000
Subject to duty	9,100	8,900
Exempt	35,900	35,100
Business Valuations		
Number	1,350	1,600
Declared values adjusted (\$million)	16.0	15.1
Realty Valuations		
Number	7,875	8,990
Declared values adjusted (\$million)	28.5	32.1
Consents to Transfer		
Assets Issued	230,000	256,000

The net general revenue received from succession duty for the year ended March 31, 1971 was \$81.3 million, an increase of approximately 11 per cent over the \$73.2 million received for the fiscal year ended March 31, 1970. In addition, the Province received a share of the federal estate tax amounting to \$28.4 million in the fiscal year 1970-71.

## FEDERAL-PROVINCIAL ARRANGEMENTS

### TAX COLLECTION AGREEMENT

The present system of tax collection arrangements was established in 1962. Unlike earlier post-war arrangements, they provide for the imposition of personal income taxes by the provinces themselves. The provincial tax is collected for the province by Canada under certain conditions, principally that provisions of the provincial Act be maintained in a form and with a content similar to the corresponding provisions of the federal Act, and that the rate of provincial tax be expressed as a percentage of the federal basic tax. To provide for collection agreements, the federal government abated its basic rates of tax to allow tax room for the imposition of a provincial tax, while retaining the right to vary its Act and regulations as it sees fit.

Ontario enacted a new Income Tax Act in 1961 and concluded a five-year agreement for the collection of the Ontario tax by Canada. Subsequently, the agreement was extended for two years and then amended to continue until notice of termination is given by either party. Although Ontario is free to choose any rate of tax as a per cent of the federal basic tax that it wishes, Ontario has imposed tax throughout the present arrangements at the same rate as the federal abatement rate, which is currently 28 per cent for provinces which have not contracted out of certain shared-cost programs.

Under the terms of the agreement, the amount payable to Ontario by Canada for a fiscal year is the total of the tax assessed under the provincial Act for the calendar year ending in the fiscal year, and certain adjustments for prior years and unclaimed deductions at source. The amount payable for the fiscal year is initially paid in instalments on an estimated basis, and in March following the fiscal year the amount is recalculated and the difference paid to or recovered from the Province. By an amendment to the agreement effective December 31, 1970, the instalments which were formerly payable over the course of the fiscal year were accelerated by one month.

In the fiscal year 1970-71, the revenue received by the Province under the agreement amounted to \$991.8 million and included an additional month's revenue due to the acceleration in the payments. The total comprised estimated payments of \$896.4 million for the full twelve months of the 1970 tax year, an adjustment of \$9.9 million for the 1969 tax year, and \$85.5 million for the one month acceleration of the estimated payments for the 1971 tax year.

### SHARE OF FEDERAL ESTATE TAX

Since 1947 the provinces have had the option under various federal-provincial arrangements of renting their rights to impose succession duty in return for a rental payment from the federal government. For any province not electing to rent its succession duty field, the federal government has abated its tax to provide for the imposition of provincial duty. Effective April 1, 1964, the provincial share of the federal tax was increased from 50 per cent to 75 per cent, the additional share being effected by a higher abatement rate or by way of rental where a province does not impose a succession duty or where a province does not increase its rates beyond those in effect on March 31, 1964.

Ontario preferred to take the rental payment for the additional 25 per cent share, rather than increase its own rates of duty, thus retaining the abatement for Ontario estates at the 50 per cent rate. The payment to the Province in respect of the 25 per cent share amounted to \$28.4 million in the fiscal year 1970-71.

### SHARE OF INCOME TAX ON CERTAIN PUBLIC UTILITIES

Under the Public Utilities Income Tax Transfer Act (Canada) of 1966, the federal government transfers to the provinces 95 per cent of the federal income tax paid by certain privately-owned public utilities on that part of their income arising from their public utility operations earned after December 31, 1965. The public utility corporations to which the trans-

fers apply are those which derive more than one-half of their gross income from the distribution to, or generation for distribution to, the public of electrical energy, gas or steam. In the fiscal year 1970-71 Ontario received \$10.6 million under this arrangement.

### **TAX RENTAL AGREEMENT, 1952-56**

Under this agreement, Ontario rented the personal and corporations tax fields to the federal government, but since the Province retained

the succession duty field its rental payments were subject to deductions for the succession duty credits allowed by Canada in respect of deaths occurring during the period of the agreement. The amounts initially deducted during the agreement on an estimated basis proved insufficient, and adjustments have been required as information on actual credits became available. A repayment of \$30,000, including interest at 3 per cent from December 31, 1954, was made by Ontario in the fiscal year 1970-71.

# Departmental Administration

The administration program of the Department consists of the Offices of the Minister and the Deputy Minister of Revenue, the Legal Services, Operational Audit and Research Branches, and the Administrative Division. The functions performed by these organizational units have been outlined above under Functions and Organization. In general they provide the professional, technical and other services necessary to support the collection of taxes program and the operations of the Province of Ontario Savings Office. The functions performed by the Administrative Division, except for the services of the Systems and Programming Branch, are provided to the Department of Treasury and Economics and the Treasury Board Secretariat. In addition, approximately a third of the time of the Legal Services Branch is devoted to work pertaining to the Department of Treasury and Economics.

Most of the services provided by the administrative program such as recruitment and personnel, maintenance of payroll and accounting records, purchasing, library, mailing, copying and like services are common to most large organizations. They are largely of a continuing nature and generally well-understood, so that no extensive commentary on these operations appears necessary. However, the branches performing support services make an essential contribution to the efficiency and effectiveness of the operating branches which they service.

The Systems and Programming Branch, for example, continues to work closely with all other activities within the Department in improving the effectiveness of the departmental programs and helping to reduce the cost of tax collection in Ontario.

Continuing development of the tax collection systems by the Systems and Programming Branch has resulted in a high degree of integration between the computer and the two major applications—the sales tax system and the corporations tax system. Further computerization of tax collection is progressing to the extent that is justified on the basis of cost reduction and faster service to the taxpayer

and a new computer system has been designed for the tobacco tax collection.

A further activity of the Systems and Programming Branch was to conduct the first departmental Suggestion Campaign which led to significant improvements in departmental efficiency and service to taxpayers. The campaign objectives were to identify possible areas of improvement in the processes employed within the Department, to stimulate participation of employees in the operation of the Department by encouraging constructive thinking and to afford a means of recognizing and rewarding individual initiative and ability of employees. Some 238 suggestions were received and over 50 per cent merited cash awards. The general success of the initial campaign led to planning for a second campaign in the fiscal year 1971-72.

An effective departmental administration program should place emphasis on examining and implementing new ideas and techniques and compiling basic information upon which operating improvements can be based. While much of this work is done by the staff branches concerned with systems and procedures, internal auditing and management information, the active program of the departmental Library is making a significant contribution. With its emphasis on taxation policy and planning and its collection of material dealing with many other governments across Canada and abroad, the Library provides the means by which staff are kept informed of developments of interest in other jurisdictions.

The Library works in close co-operation with other libraries, both within and without the Ontario Public Service. Rather than purchase many materials, the Library has an interloan arrangement with other libraries. During 1970-71 nearly a thousand items were borrowed from other libraries, some as far away as California and British Columbia. Information concerning new material is disseminated to staff of user departments by select lists, a very active current awareness service and numerous special bibliographies.



Through the Personnel Branch, the Department is constantly working to upgrade the skills and expertise of the staff. The predominant skills required are those skills allied to the accounting profession, especially auditing. To help in maintaining a good supply of professional staff, programs and financial assistance are offered to all staff to assist them in obtaining a professional accounting designation through evening study. This also has the effect of opening up career paths not normally available to a lot of the junior staff. In addition,

an effort is being made to design training programs for staff that will provide them with the right mixture of on-the-job training and at the optimum pace. Exposure in special courses in management and courses in supervisory development is also broadening expertise of the Department at all levels.

The staff on strength of the Department of Revenue increased by 7 during the fiscal year to 1,334. The following table shows staff on strength by organizational units as at March 31, 1969 to 1971.

## STAFF ON STRENGTH

As at March 31, 1969 to 1971

	1969	1970	1971
Main Office	13	12	11
Legal Services Branch	9	9	10
Operational Audit Branch	7	7	9
	29	28	30
Administrative Division			
General Office	3	3	3
Office Services	24	24	22
Personnel	16	16	17
Systems and Programming	20	23	25
Accounts	11	15	18
Library	6	6	5
	80	87	90
Revenue Division			
Comptroller of Revenue	7	8	13
Corporations Tax Branch	216	223	248
Gasoline Tax Branch	90	93	94
Retail Sales Tax Branch	595	588	570
Succession Duty Branch	130	123	116
	1,038	1,035	1,041
Ontario Savings Office	182	177	173
Department of Revenue	1,329	1,327	1,334



# Province of Ontario Savings Office

The Savings Office is operated under the authority of The Agricultural Development Finance Act. Under the Act, the Province may borrow money by means of deposits in any amounts and from any persons and may open offices for this purpose anywhere in Ontario.

The establishment of the Savings Office was authorized by the Legislature in 1921 and the first branches were opened in March 1922. At present there are 21 branches operating in Ontario. Each branch has its own manager and the activities of all the branches are co-ordinated and directed by the Head Office. Together, the Head Office and the branches had a staff of 173 as at March 31, 1971.

Deposits received from the public are carried in individual accounts on which interest is paid and cheques may be issued. All monies received on deposits and not required for current operations by the Savings Office are transferred to the credit of the Consolidated Revenue Fund. The Department of Treasury and Economics allows the Savings Office a nominal rate of interest on the effective daily balances in the Consolidated Revenue Fund. This amount is intended to cover the expenses of the Savings Office, including interest allowed to depositors. The Savings Office operates at cost, and accordingly any excess of the nominal interest allowed over that needed in meeting operating costs is returned to the Treasurer of Ontario.

During the fiscal year ended March 31, 1971, the Savings Office maintained its interest rate on deposits at a level competitive with those paid by other savings institutions on non-chequing savings deposits. The rate which had been raised to 6½ per cent on July 1, 1969 was reduced to 6 per cent on November 1, 1970, 5½ per cent on February 1, 1971 and to 5 per cent on March 1, 1971.

An increased volume of business was experienced during the fiscal year with savings balances due to the public rising by 12 per cent to \$116.7 million at March 31, 1971. Operating costs of the Savings Office increased by \$590,000 or 8.6 per cent to nearly \$7.5 million. Interest on deposits, which accounted for 78 per cent of the operating costs, rose by \$375,000 to \$5.8 million, and other operating expenses by \$215,000 to \$1.6 million. The problem of processing the increasing volume of business was met through the purchase of eleven additional posting machines which resulted in an improved standard of service available to depositors without increasing the staff complement.

The cost of borrowing to the Province by means of deposits in the Savings Office averaged 6.67 per cent in the fiscal year 1970-71, as compared with 6.56 per cent in the preceding fiscal year.

## PROVINCE OF ONTARIO SAVINGS OFFICE

Fiscal years ended March 31, 1967 to 1971

		1967	1968	1969	1970	1971
Operating Costs						
Interest Paid on Deposits	\$'000	2,114	3,235	4,214	5,468	5,843
Other Expenses	\$'000	1,162	1,235	1,359	1,432	1,647
Total	\$'000	3,276	4,470	5,573	6,900	7,490
Savings Balances Due to the Public						
At End of Fiscal Year	\$'000	81,284	92,116	102,429	104,165	116,657
Average Cost of Borrowing to Province	%	3.86	5.10	5.40	6.56	6.67

# SUPPLEMENT

# Introduction

---

The Supplement provides tabular and statistical information on the tax statutes and financial data of the Department of Revenue. In addition to a number of statistical tables, it contains a schedule which summarizes the principal features of the tax statutes assigned to the Department.

The schedule includes the tax changes in the corporations tax and succession duty fields that were presented in the Budget Statement of April 26, 1971. While none of the changes took effect in the fiscal year for which this Annual Report has been prepared, they have been incorporated in the schedule in order to provide up-to-date information on the tax system.

An important amendment to The Corporations Tax Act was the provision of a special tax credit to stimulate business investment and the creation of new jobs in Ontario. This legislation allows corporations a credit against income tax of 5 per cent of the cost of eligible machinery and equipment purchased in the period between April 26, 1971 and April 1, 1973 and used solely in Ontario before April 1, 1973.

Another change in the corporations tax legislation was an amendment to allow corporations which borrow money to purchase shares in other corporations to deduct from income the interest paid on the borrowed money. The

purpose of the amendment was to extend to Canadian companies taxable under the provincial Act a tax advantage enjoyed by foreign companies in bidding for shares in Canadian and non-Canadian companies.

The amendments to The Succession Duty Act made applicable to deaths occurring on and after April 27, 1971 will effectively eliminate succession duties on the vast majority of estates. The major changes were an increase in the allowance for widows and widowers from \$125,000 to \$250,000, the elimination of the 15 per cent surtax respecting duty paid by beneficiaries for the preferred class, the raising of the estate value level from \$50,000 to \$100,000 before any duty is payable by preferred class beneficiaries, and the increase in the exemption from duty extended to non-commutable annuities and pensions to a maximum of \$10,000 per annum.

All but two of the statistical tables in the Supplement have been compiled from provincial records. The last two tables contain individual income tax statistics for Ontario which have been extracted and compiled from more detailed data provided by the Department of National Revenue under clause 11 of the Tax Collection Agreement. The detailed data are for the year 1969 and are based on a sample of returns processed up to December 31, 1970.

## Tax Schedule and Tables

### TAX SCHEDULE

– Principal Features of Tax Statutes Assigned to Department of Revenue .....	36
---	----

### TABLES

1 – Net General Revenue, Fiscal Years Ended March 31, 1967 to 1971 .....	42
2 – Net General Expenditure, Fiscal Years Ended March 31, 1967 to 1971 .....	43
3 – Retail Sales Tax by Industrial Classification of Vendors, Fiscal Years Ended March 31, 1969 to 1971 .....	44
4 – Consumption of Gasoline and Taxable Gallons of Gasoline and Diesel Fuel, Twelve Months Ended March 31, 1967 to 1971 .....	45
5 – Consumption of Tobaccos, Twelve Months Ended March 31, 1967 to 1971 .....	45
6 – Land Transfer Tax by Registry Office, Fiscal Years Ended March 31, 1969 to 1971 .....	46
7 – Succession Duty – Dutiable Affidavits and Duty Paid by Size of Estate, Fiscal Years Ended March 31, 1970 and 1971 .....	48
8 – Corporations Tax by Source of Revenue, Fiscal Years Ended March 31, 1970 and 1971 .....	49
9 – Logging Tax Assessed by Gross Revenue Classification, Fiscal Periods Ended in 1968 and 1969 .....	49
10 – Corporations Taxes Assessed by Industry and Gross Revenue Classification, Fiscal Periods Ended in 1969 .....	50
11 – Ontario Individual Income Tax Returns by Income Class, Taxation Year 1969 .....	54
12 – Ontario Individual Income Tax Returns by Occupation, Taxation Year 1969 .....	58

## Tax Schedule

### PRINCIPAL FEATURES OF TAX STATUTES ASSIGNED TO THE DEPARTMENT OF REVENUE\*

As at September 1, 1971

<i>Statutory Authority</i>	<i>Rates and Bases</i>
THE CORPORATIONS TAX ACT R.S.O. 1970, Chapter 91 as amended by: 1971, Chapter 11 1971, Chapter 72	12 per cent of all taxable income of corporations having a permanent establishment in Ontario, and capital and special taxes as follows: <i>Ordinary corporations</i> – 1/10 of 1 per cent of taxable capital. <i>Banks</i> – 1/5 of 1 per cent of paid-up capital stock and 1/10 of 1 per cent on the reserve fund plus a tax on place of business. <i>Railway and express companies</i> – taxes based on track mileage. <i>Telegraph companies</i> – 1 per cent on investment in plant. <i>Pullman car companies</i> – 1 per cent of investment in equipment. <i>Insurance companies</i> – 2 per cent premiums tax.
THE GASOLINE TAX ACT R.S.O. 1970, Chapter 190	18 cents per imperial gallon on all gasoline purchased or delivered to any purchaser in Ontario. 3 cents per imperial gallon on all aviation fuel purchased or delivered to any purchaser in Ontario.
THE INCOME TAX ACT R.S.O. 1970, Chapter 217 as amended by: 1971, Chapter 22	28 per cent of basic personal income tax computed as specified in the Income Tax Act (Canada) at full graduated rates after deduction of the dividend tax credit but before abatement for provincial income tax and excluding old age security tax, on the income of individuals (including estates and trusts) who reside in Ontario on the last day of the taxation year or earn income in Ontario during the taxation year.

\*See footnote at end of table.



### *Exemptions, Deductions, Refunds, etc.*

---

There may be deducted from the tax otherwise payable 12 per cent of that portion of the taxable income earned in the fiscal year in each jurisdiction other than Ontario. Income tax may be reduced by an amount equal to 5 per cent of the cost of eligible machinery and equipment purchased after April 26, 1971 and used in Ontario before April 1, 1973. Interest paid on money borrowed to purchase shares in other corporations may be deducted from income. Corporations exempt from income tax include: Municipal authorities and municipal or provincial corporations, certain non-profit or charitable corporations, credit unions, housing corporations, personal corporations, non-resident-owned investment corporations, pension corporations, and companies insuring properties of farmers and fishermen and churches and schools.

The Government of Canada, and certain diplomatic and foreign representatives where the gasoline is for their exclusive use, are exempt. Tax on gasoline sold to farmers for purposes other than propelling a vehicle on a highway, and tax on gasoline used for commercial fishing is fully refundable.

Tax on gasoline used for most other off-highway purposes is partially refundable at the rate of 13 cents per gallon except where it is used in highway construction and maintenance, marine craft other than working boats, or motorized snow vehicles.

By agreement between Ontario and Canada the Ontario individual income tax is administered and collected for the Province by the Department of National Revenue and the provisions relating to exemptions, deductions, refunds, tax credits, etc. are as provided under the Income Tax Act (Canada).

### *Due Dates for Returns and Payments*

---

*Returns* for most corporations are due on the last day of the month which ends six months following the close of the fiscal year of the corporation.

*Payments* for most corporations are due on the 15th day of the 3rd, 5th, 7th, 9th, and 11th month of the relevant fiscal year and the 15th of the month following the fiscal year.

*Remittances* are due on the 28th day of the month following the relevant month.

As provided under the Income Tax Act (Canada).

## Tax Schedule (continued)

### PRINCIPAL FEATURES OF TAX STATUTES ASSIGNED TO THE DEPARTMENT OF REVENUE\*

As at September 1, 1971

<i>Statutory Authority</i>	<i>Rates and Bases</i>
THE LAND TRANSFER TAX ACT R.S.O. 1970, Chapter 235	1/5 of 1 per cent of the value of the consideration for land where the consideration is \$25,000 or under plus 2/5 of 1 per cent of the value in excess of \$25,000. Land includes tenements, realty, fixtures and goodwill.
THE LOGGING TAX ACT R.S.O. 1970, Chapter 258	10 per cent of that part in excess of \$10,000 of the taxpayer's "income derived from logging operations" as defined in the Act for the taxation year.
THE MOTOR VEHICLE FUEL TAX ACT R.S.O. 1970, Chapter 282	24 cents per imperial gallon of fuel on all purchasers or registrants using fuel to generate power for the propulsion of a motor vehicle. Fuel is defined to exclude gasoline, aviation and heating fuels, solvents and thinners and certain other petroleum products so that the tax applies principally to diesel fuel used for the propulsion of a motor vehicle or in connection with the maintenance and construction of a highway.
THE RACE TRACKS TAX ACT R.S.O. 1970, Chapter 397	7 per cent upon the holder of a winning ticket issued under the pari-mutuel system for a race run at a race meeting based on the amount that would be payable to him if no percentage were deducted or retained by the person holding the race meeting in respect of such race.
THE RETAIL SALES TAX ACT R.S.O. 1970, Chapter 415	5 per cent on the fair value of every purchase or rental of tangible personal property for consumption or use, and on the fair value of a taxable service. 10 per cent on purchase price of prepared meals sold at a price in excess of \$2.50, on liquor, wine and bottled beer, and on the price of admission to a place of amusement. Taxable services include telephone and telegraph services and transient accommodation.

\*See footnote at end of table.

### *Exemptions, Deductions, Refunds, etc.*

---

No tax is payable by the Crown or any foreign state.

Tax credit of one-third of logging tax is provided under The Corporations Tax Act (Ontario). Two-thirds of the logging tax may be deducted from federal income tax under the Income Tax Act (Canada).

Fuel other than for the propulsion of a motor vehicle or for use in highway construction or maintenance is exempt.

Exemptions are provided for goods purchased by another vendor who executes a purchase exemption certificate; goods to be delivered by the vendor outside of Ontario for use outside Ontario; building materials purchased by municipalities and certain other bodies; buses for urban transport; goods sold for the use of the Government of Canada, and sales under 21 cents. Specific goods exempted include most foods; fuels including electricity; a variety of farm implements, supplies and products; most books, magazines and newspapers; children's clothing; prescription drugs; tobacco; certain equipment and consumable materials used in the process of manufacture and a number of others.

### *Due Dates for Returns and Payments*

---

*Payment* is due upon registration of the transfer.

*Remittance* dates are 10 days after the end of each month or twice monthly in the case of large registry offices.

Due dates for returns are:

*Corporations*—6 months from end of taxation year.

*Deceased Persons*—6 months from the day of death.

*Estate or Trust*—90 days from end of taxation year.

*Others*—April 30th in the next year or as required by notice in writing.

*Instalment payments*—are due at the close of the taxation year and on the 15th day of the 3rd month following the month in which the relevant fiscal year closed.

*Payment* is due on purchase and *remittances* are due on the 25th of each month for the preceding month except for small remitters who may be permitted to remit less frequently.

*Remittances* are due daily at the close of each day's racing and race track operator's returns are due two weeks after the close of the race meeting.

*Payment* is due at the time of purchase. *Remittances* are due on the 23rd of each month for the preceding month except for small remitters who may be permitted to file less frequently.

## Tax Schedule (continued)

### PRINCIPAL FEATURES OF TAX STATUTES ASSIGNED TO THE DEPARTMENT OF REVENUE\*

As at September 1, 1971

Statutory Authority	Rates and Bases														
THE SECURITY TRANSFER TAX ACT R.S.O. 1970, Chapter 427	<p>3 cents per \$100 or fraction thereof of the par value of a bond, debenture or debenture stock. 3 cents per \$100 or fraction thereof of the current market price or value of each syndicate unit, mineral deed, oil royalty, guaranteed trust certificate or investment receipt. On the current market price or valuation of each share sold, transferred or assigned the tax is as follows:</p> <table> <tr> <td>Under \$ 1</td><td>1/10 of 1% of value</td></tr> <tr> <td>\$ 1 to \$ 5</td><td>1/4 of 1 cent per share</td></tr> <tr> <td>Over \$ 5 to \$ 25</td><td>1 cent per share</td></tr> <tr> <td>Over \$ 25 to \$ 50</td><td>2 cents per share</td></tr> <tr> <td>Over \$ 50 to \$ 75</td><td>3 cents per share</td></tr> <tr> <td>Over \$ 75 to \$150</td><td>4 cents per share</td></tr> <tr> <td>Over \$150</td><td>4 cents plus 1/10 of 1% of value over \$150</td></tr> </table>	Under \$ 1	1/10 of 1% of value	\$ 1 to \$ 5	1/4 of 1 cent per share	Over \$ 5 to \$ 25	1 cent per share	Over \$ 25 to \$ 50	2 cents per share	Over \$ 50 to \$ 75	3 cents per share	Over \$ 75 to \$150	4 cents per share	Over \$150	4 cents plus 1/10 of 1% of value over \$150
Under \$ 1	1/10 of 1% of value														
\$ 1 to \$ 5	1/4 of 1 cent per share														
Over \$ 5 to \$ 25	1 cent per share														
Over \$ 25 to \$ 50	2 cents per share														
Over \$ 50 to \$ 75	3 cents per share														
Over \$ 75 to \$150	4 cents per share														
Over \$150	4 cents plus 1/10 of 1% of value over \$150														
THE SUCCESSION DUTY ACT R.S.O. 1970, Chapter 449 as amended by: 1971, Chapter 15	<p>Ontario succession duty is levied on the beneficiary and based on the aggregate value of property transferred by will, intestate law or gifts inter-vivos. All classes of beneficiary pay an initial rate which varies with the aggregate value of the total estate; all but the stranger class pay an additional rate which varies with the proportion of aggregate value passing to the beneficiary; all but the preferred class pay a surtax on the duty resulting from the application of the above rates. The ranges of these rates are as follows:</p> <p><i>Preferred Beneficiary</i> (e.g. parent, child) Initial Rate: up to \$100,000, no duty; thereafter 5% rising to 14% on estate over \$5 million. Additional Rate: up to \$100,000, no duty; thereafter 2½% rising to 15% on share over \$3 million. <i>Dependants</i>—same as for preferred class but special allowances and credits apply. <i>Collaterals</i> (e.g. brother, sister, their descendants) Initial Rate: up to \$20,000, no duty; thereafter 6% rising to 17% on estate over \$1 million. Additional Rate: up to \$10,000, no duty; thereafter 2½% rising to 13% on share over \$3 million. Surtax: 20%.</p> <p><i>Strangers</i> (Remote relatives and all others) Initial Rate: up to \$10,000, no duty; thereafter 12½% rising to 35% on estate over \$800,000. Surtax: 25%.</p>														
THE TOBACCO TAX ACT R.S.O. 1970, Chapter 463	<p>2/5 of 1 cent per cigarette; ½ of 1 cent for every 5 cents (or part thereof) of the retail price of every cigar; 2½ cents per ounce (or part thereof) of the retail price of any tobacco other than cigarettes or cigars.</p>														

\*This is a general summary table and reference must be made to relevant statutes, regulations and rulings to ascertain the application of each tax in particular circumstances.

### *Exemptions, Deductions, Refunds, etc.*

---

Bonds and debentures guaranteed by Canada, a province of Canada, or any municipality or school board in Ontario and the first issue of bonds, stocks, etc. are exempt. Bona fide transfers or retransfers of securities as collateral for loans or advances are exempt.

Aggregate value excludes reasonable funeral expenses, debts, encumbrances and certain other allowances and exemptions. Exemptions are provided for bona fide gifts made more than five years before the date of death of the deceased; dispositions or bequests to Canada, Ontario, any Ontario municipality, and under certain circumstances to religious, charitable or educational organizations. Duty paid to certain provincial and foreign jurisdictions may be allowed as a credit in reducing Ontario duty.

### *Dependants' allowance and deduction*

Where the total estate passing to a group of dependants does not exceed the group's total dependant allowance, all dependants are exempt, and where a dependant's share does not exceed the individual dependant allowance, he or she is exempt. Both these allowances are: spouse, \$250,000 plus \$15,000 for each dependent child; and a dependent orphan child, \$25,000. The individual dependant reduction (credit) from duty is based on the following amounts: widow or widower, \$23,950; a dependent child, \$750; and a dependent orphan child, \$1,250.

### *Due Dates for Returns and Payments*

---

*Payment* is due upon the change of ownership of the security or in certain cases upon the ordering, delivery or making of a payment consequent upon a transfer of a security. Stock exchange reports are due every Thursday and corporations annual returns are due six months after the close of the fiscal year of the corporation.

*Returns* are due three months after the date of death and *payments* six months after the date of death except where complex payment provisions apply.

*Remittances* are due on the 28th day of the month following the month/period for which the return is made.



**Table 1****NET GENERAL REVENUE**

Fiscal years ended March 31, 1967 to 1971

Thousands of dollars

	1967	1968	1969	1970	1971
<b>TAXES AND FEES</b>					
Income Tax Collection Agreement	393,837	551,004	620,476	762,086	991,845
Retail Sales Tax	385,575	435,666	485,588	637,264	674,184
Corporations Tax	274,500	302,273	332,964	477,173	414,063
Gasoline Tax	266,391	283,221	337,284	361,937	375,778
Succession Duty	57,913	59,638	68,472	73,182	81,316
Tobacco Tax	18,553	18,983	54,220	71,695	75,301
Motor Vehicle Fuel Tax	18,196	21,527	26,298	29,840	33,334
Race Tracks Tax	14,673	15,091	18,999	20,873	20,342
Land Transfer Tax	8,573	10,822	12,567	14,548	11,308
Hospitals Tax	8,127	9,524	10,439	838	5
Security Transfer Tax	3,502	4,835	7,374	6,962	5,264
Logging Tax	1,745	1,662	1,444	1,977	1,696
Fees, etc.	2	4	3	4	7
Total Taxes and Fees	1,451,587	1,714,250	1,976,128	2,458,379	2,684,443
<b>LIQUOR CONTROL BOARD OF ONTARIO</b>					
Profits, Gallonage Fees, etc.	133,700	149,142	192,577	178,741	193,209
<b>GOVERNMENT OF CANADA</b>					
Share of Federal Estate Tax	19,743	20,628	21,677	26,818	28,383
Share of Federal Income Tax on Certain Public Utilities	1,051	1,576	5,463	8,795	10,575
Tax Rental Agreement, 1952-56	-	(128)	(213)	(925)	(30)
Government of Canada	20,794	22,076	26,927	34,688	38,928
<b>REIMBURSEMENT OF EXPENDITURE</b>					
Province of Ontario Savings Office					
Refund – Advances for Operating Expenses	1,094	1,219	1,270	1,419	1,547
<b>GROSS GENERAL REVENUE</b>	1,607,175	1,886,687	2,196,902	2,673,227	2,918,127
<b>DEDUCT—Reimbursement of Expenditure</b>	1,094	1,219	1,270	1,419	1,547
<b>NET GENERAL REVENUE</b>	1,606,081	1,885,468	2,195,632	2,671,808	2,916,580

**Table 2****NET GENERAL EXPENDITURE<sup>1</sup>**

Fiscal years ended March 31, 1967 to 1971

Thousands of dollars

	1967	1968	1969	1970	1971
ADMINISTRATION OF TAXES					
Corporations and Logging Tax	1,139	1,227	1,453	1,554	1,969
Fuel and Tobacco Tax	565	557	669	731	824
Succession Duty	937	928	1,000	1,020	1,115
Retail Sales Tax and Other Taxes	3,913	4,297	4,719	5,061	5,457
Administration	70	74	83	97	115
	6,624	7,083	7,924	8,463	9,480
DEPARTMENTAL ADMINISTRATION	837	1,149	1,580	1,893	2,110
REIMBURSEMENT OF EXPENDITURE					
Province of Ontario Savings Office					
Refund-Advances for Operating Expenses	1,094	1,219	1,270	1,419	1,547
GROSS GENERAL EXPENDITURE	8,555	9,451	10,774	11,775	13,137
Deduct-Reimbursement of Expenditure	1,094	1,219	1,270	1,419	1,547
NET GENERAL EXPENDITURE	7,461	8,232	9,504	10,356	11,590

<sup>1</sup>Data for the fiscal years shown are comparable, although these programs were carried out by Treasury Department prior to the proclamation of The Department of Revenue Act on July 23, 1968.

Table 3

## RETAIL SALES TAX BY INDUSTRIAL CLASSIFICATION OF VENDORS

Fiscal years ended March 31, 1969 to 1971

	<i>Tax in Thousands of Dollars</i>		
	1969	1970	1971
INDUSTRIAL CLASSIFICATION			
Agriculture, Forestry and Fisheries	146	191	197
Mining	971	1,275	1,719
Construction	2,428	3,186	3,950
Manufacturing	79,636	126,178	136,520
Transportation, Communication and other Public Utilities	29,135	33,775	36,797
Wholesale Trade	32,534	34,412	45,256
Retail Trade	327,384	419,129	426,698
Finance, Insurance and Real Estate	3,885	2,549	2,992
Services	9,226	16,250	19,349
Government	243	319	706
Total	485,588	637,264	674,184
	<i>Percentage Distribution</i>		
	1969	1970	1971
INDUSTRIAL CLASSIFICATION			
Agriculture, Forestry and Fisheries	.03	.03	.03
Mining	.20	.20	.26
Construction	.50	.50	.59
Manufacturing	16.40	19.80	20.25
Transportation, Communication and other Public Utilities	6.00	5.30	5.46
Wholesale Trade	6.70	5.40	6.71
Retail Trade	67.42	65.77	63.29
Finance, Insurance and Real Estate	.80	.40	.44
Services	1.90	2.55	2.87
Government	.05	.05	.10
Total	100.00	100.00	100.00

**Table 4****CONSUMPTION OF GASOLINE AND TAXABLE GALLONS OF GASOLINE AND DIESEL FUEL**Twelve months ended March 31, 1967 to 1971<sup>1</sup>

Millions of gallons

	1967	1968	1969	1970	1971
<b>GASOLINE<sup>2</sup></b>					
Total gallons consumed	1,898	1,999	2,121	2,260	2,350
Transferred to federal government	26	18	12	17	23
Gallons subject to tax	1,872	1,981	2,109	2,243	2,327
Gallons on which tax in full or in part was rebated for farming, industrial and other purposes	120	118	116	103	99
Gallons on which tax at the full rate was payable	1,752	1,863	1,993	2,140	2,228
<b>DIESEL FUEL</b>					
Gallons taxable	87.3	102.0	115.2	129.9	146.4
Gallons on which tax was rebated for non-taxable use	1.4	1.3	1.9	1.8	1.8
Gallons on which tax at the full rate was payable	85.9	100.7	113.3	128.1	144.6

<sup>1</sup>See footnote to Table 5.<sup>2</sup>Includes motor gasoline, aviation fuel, propane used in motor vehicles.**Table 5****CONSUMPTION OF TOBACCOS**Twelve months ended March 31, 1967 to 1971<sup>1</sup>

	1967	1968	1969	1970	1971
Cigarettes (millions)	17,146	17,524	17,215	16,832	18,077
Cigars (millions)	184	197	196	213	234
Pipe Tobaccos (millions of pounds)	5.6	5.2	5.9	5.9	6.0

<sup>1</sup>Quantities are for the periods indicated and not those giving rise to revenue for provincial fiscal years as revenue generally accrues one month subsequent to that of distribution and consumption. Quantities pertaining to revenue in the fiscal year under review are contained in text on pages 22 and 23.

Table 6

**LAND TRANSFER TAX BY REGISTRY OFFICE**

Fiscal years ended March 31, 1969 to 1971

Thousands of dollars

	1969		1970		1971	
	Position	Amount	Position	Amount	Position	Amount
REGISTRY AND/OR LAND TITLES OFFICE						
Toronto Boroughs & York South	1	2,590	1	2,679	1	1,731
Toronto & York-Land Titles	3	1,205	2	1,422	2	1,389
Toronto	2	1,255	4	1,327	3	1,142
Peel	4	1,140	3	1,392	4	823
Ottawa-Carleton	7	443	9	482	5	467
Wentworth	6	516	6	638	6	437
Halton	5	640	5	859	7	429
Waterloo	8	422	8	519	8	394
Essex	11	295	10	350	9	360
Ontario County	9	397	7	546	10	358
Simcoe	13	241	11	319	11	272
Middlesex East	10	307	13	300	12	255
Carleton	14	232	15	257	13	238
Sudbury	18	141	18	159	14	186
Niagara North	12	277	14	259	15	174
York North	15	190	12	301	16	171
Niagara South	16	175	16	203	17	166
Wellington South	17	149	17	176	18	125
Frontenac	23	93	21	119	19	123
Peterborough	21	99	22	107	20	106
Lambton	19	115	19	125	21	106
Brant	25	89	20	123	22	103
Norfolk	20	105	24	99	23	101
Oxford	26	85	25	97	24	94
Kent	22	93	26	90	25	83
Elgin	27	65	27	89	26	83
Hastings	29	62	29	77	27	80
London	24	93	23	104	28	72
Muskoka	30	59	28	80	29	65
Algoma	28	64	30	70	30	64
Nipissing	32	51	34	56	31	57
Thunder Bay West	43	34	39	46	32	56
Stormont	39	38	38	46	33	55
Thunder Bay East	33	49	35	54	34	53



**Table 6** (continued)

**LAND TRANSFER TAX BY REGISTRY OFFICE**

Fiscal years ended March 31, 1969 to 1971

Thousands of dollars

	1969		1970		1971	
	Position	Amount	Position	Amount	Position	Amount
REGISTRY AND/OR LAND TITLES OFFICE						
Perth	31	52	31	69	35	50
Victoria	35	42	32	63	36	48
Haldimand	38	39	41	44	37	48
Grey North	36	42	37	50	38	45
Bruce	45	33	42	43	39	44
Cochrane	42	35	45	40	40	41
Huron	37	40	44	41	41	41
Durham West	40	37	36	52	42	40
Leeds	46	31	43	43	43	39
Dufferin	34	44	33	56	44	39
Parry Sound	44	33	40	45	45	39
Lanark South	53	19	58	18	46	37
Renfrew	41	36	46	37	47	35
Lennox	54	19	51	28	48	31
Grey South	47	22	48	31	49	28
Northumberland East	56	17	54	24	50	28
Kenora	51	19	55	22	51	25
Northumberland West	48	21	47	32	52	24
Haliburton	49	20	53	26	53	24
Russell	57	16	56	19	54	22
Wellington North	55	18	50	29	55	21
Durham East	50	20	49	29	56	21
Middlesex West	52	19	52	27	57	18
Temiskaming	58	16	59	18	58	17
Prince Edward	59	13	57	18	59	15
Prescott	62	8	60	15	60	14
Grenville	60	10	61	12	61	13
Rainy River	65	7	64	10	62	11
Dundas	63	7	65	9	63	9
Glengarry	61	10	63	10	64	9
Manitoulin	66	6	66	7	65	7
Lanark North	64	7	62	11	66	7
Total		12,567		14,548		11,308

Table 7

# SUCCESSION DUTY-DUTIABLE AFFIDAVITS AND DUTY PAID BY SIZE OF ESTATE

Fiscal years ended March 31, 1970 and 1971

Aggregate Value of Estate	Dutiable Affidavits Received			
	Number		% Distribution	
	1970	1971	1970	1971
<b>Domestic Estates</b>				
Under-\$ 75,000	4,162	4,727	45.9	53.1
75,000- 90,000	608	481	6.7	5.4
90,000- 125,000	753	739	8.3	8.3
125,000- 150,000	435	320	4.8	3.6
150,000- 300,000	771	659	8.5	7.4
300,000- 500,000	172	231	1.9	2.6
500,000-1,000,000	91	45	1.0	.5
1,000,000-2,000,000	36	36	.4	.4
Over-2,000,000	9	18	.1	.2
<b>All Foreign Estates</b>	2,031	1,647	22.4	18.5
<b>Total</b>	9,068	8,903	100.0	100.0
	Succession Duty Paid			
	Amount (\$000)		% Distribution	
	1970	1971	1970	1971
<b>Domestic Estates</b>				
Under-\$ 75,000	11,709	15,044	16.0	18.5
75,000- 90,000	2,708	2,683	3.7	3.3
90,000- 125,000	5,781	7,318	7.9	9.0
125,000- 150,000	5,708	2,928	7.8	3.6
150,000- 300,000	14,637	14,718	20.0	18.1
300,000- 500,000	7,758	11,628	10.6	14.3
500,000-1,000,000	9,221	3,659	12.6	4.5
1,000,000-2,000,000	5,708	8,376	7.8	10.3
Over-2,000,000	4,171	12,116	5.7	14.9
<b>All Foreign Estates</b>	5,781	2,846	7.9	3.5
<b>Total</b>	73,182	81,316	100.0	100.0

**Table 8****CORPORATIONS TAX BY SOURCE OF REVENUE**

Fiscal years ended March 31, 1970 and 1971

Thousands of dollars

<i>Source of Revenue</i>	<i>1970</i>	<i>1971</i>
Insurance Premiums Tax	27,050	24,834
Capital and Special Taxes	9,085	32,203
Income Tax on all Corporations	441,038	357,026
Total	477,173	414,063

**Table 9****LOGGING TAX ASSESSED BY GROSS REVENUE CLASSIFICATION**

Fiscal periods ended in 1968 and 1969

<i>Gross Revenue Classification<sup>1</sup></i>	<i>No. of Units</i>		<i>Logging Tax (\$000)</i>	
	<i>1968</i>	<i>1969</i>	<i>1968</i>	<i>1969</i>
\$ 0– 24,999	101	157	40	233
25,000– 99,999	18	48	11	22
100,000– 249,999	25	60	17	116
250,000– 499,999	16	26	12	13
500,000– 999,999	14	24	58	87
1,000,000–4,999,999	21	35	167	321
5,000,000 and over	15	24	1,167	1,338
Total	210	374	1,472	2,130

<sup>1</sup>"Gross Revenue" represents world gross revenue, whereas "Logging Tax" is tax paid to Ontario after allocation of income to other jurisdictions.

Table 10

# CORPORATIONS TAXES ASSESSED BY INDUSTRY AND GROSS REVENUE CLASSIFICATION

Fiscal periods ended in 1969

Industry and Gross Revenue Classification <sup>1</sup>	Units	Capital, Special and Place of Business Taxes	Income Tax	Total Tax
	No.	(Thousands of Dollars)		
<b>Agriculture, Fishing and Forestry</b>				
\$ 0— 24,999	542	37	68	105
25,000— 99,999	500	48	225	273
100,000— 249,999	352	49	390	439
250,000— 499,999	129	19	247	266
500,000— 999,999	89	19	231	250
1,000,000—4,999,999	67	40	508	548
5,000,000 and over	14	20	289	309
Total	1,693	232	1,958	2,190
<b>Mining, Quarrying, Oil and Gas Wells</b>				
\$ 0— 24,999	2,037	134	16	150
25,000— 99,999	129	15	42	57
100,000— 249,999	70	16	93	109
250,000— 499,999	69	17	149	166
500,000— 999,999	44	26	215	241
1,000,000—4,999,999	93	82	610	692
5,000,000 and over	82	877	7,923	8,800
Total	2,524	1,167	9,048	10,215
<b>Manufacturing</b>				
\$ 0— 24,999	3,507	270	3,852	4,122
25,000— 99,999	2,027	156	1,858	2,014
100,000— 249,999	2,343	339	4,330	4,669
250,000— 499,999	1,767	226	3,204	3,430
500,000— 999,999	1,363	318	5,278	5,596
1,000,000—4,999,999	2,083	1,428	26,475	27,903
5,000,000 and over	972	7,421	114,359	121,780
Total	14,062	10,158	159,356	169,514

<sup>1</sup>See footnote at end of table.

**Table 10** (continued)

**CORPORATIONS TAXES ASSESSED BY INDUSTRY  
AND GROSS REVENUE CLASSIFICATION**

Fiscal periods ended in 1969

<i>Industry and Gross Revenue Classification<sup>1</sup></i>	<i>Units</i>	<i>Capital, Special and Place of Business Taxes</i>	<i>Income Tax</i>	<i>Total Tax</i>
	<i>No.</i>	<i>(Thousands of Dollars)</i>		
<b>Construction</b>				
\$ 0– 24,999	3,407	309	756	1,065
25,000– 99,999	2,176	202	1,340	1,542
100,000– 249,999	2,290	264	2,542	2,806
250,000– 499,999	1,512	255	2,727	2,982
500,000– 999,999	830	173	2,142	2,315
1,000,000–4,999,999	729	455	3,885	4,340
5,000,000 and over	158	347	3,867	4,214
Total	11,102	2,005	17,259	19,264
<b>Transportation, Storage, Communication and Public Utilities</b>				
\$ 0– 24,999	808	62	214	276
25,000– 99,999	605	124	303	427
100,000– 249,999	605	55	640	695
250,000– 499,999	314	53	620	673
500,000– 999,999	202	100	601	701
1,000,000–4,999,999	203	139	2,994	3,133
5,000,000 and over	93	3,087	17,403	20,490
Total	2,830	3,620	22,775	26,395
<b>Wholesale Trade</b>				
\$ 0– 24,999	1,931	109	625	734
25,000– 99,999	955	61	531	592
100,000– 249,999	1,123	82	1,004	1,086
250,000– 499,999	1,026	98	1,729	1,827
500,000– 999,999	807	139	2,549	2,688
1,000,000–4,999,999	1,059	419	7,288	7,707
5,000,000 and over	316	593	13,772	14,365
Total	7,217	1,501	27,498	28,999

<sup>1</sup>See footnote at end of table.



**Table 10** (continued)

**CORPORATIONS TAXES ASSESSED BY INDUSTRY  
AND GROSS REVENUE CLASSIFICATION**

Fiscal periods ended in 1969

Industry and Gross Revenue Classification <sup>1</sup>	Units	Capital, Special and Place of Business Taxes	Income Tax	Total Tax
	No.	(Thousands of Dollars)		
<b>Retail Trade</b>				
\$ 0– 24,999	2,384	129	620	749
25,000– 99,999	1,912	118	894	1,012
100,000– 249,999	3,077	177	2,574	2,751
250,000– 499,999	1,901	163	2,939	3,102
500,000– 999,999	1,120	141	2,622	2,763
1,000,000–4,999,999	1,022	286	5,814	6,100
5,000,000 and over	235	578	14,651	15,229
Total	11,651	1,592	30,114	31,706
<b>Service</b>				
\$ 0– 24,999	5,318	305	575	880
25,000– 99,999	3,691	261	2,416	2,677
100,000– 249,999	2,554	261	3,305	3,566
250,000– 499,999	1,145	181	2,635	2,816
500,000– 999,999	559	157	2,233	2,390
1,000,000–4,999,999	476	355	4,066	4,421
5,000,000 and over	103	279	5,230	5,509
Total	13,846	1,799	20,460	22,259
<b>Finance and Insurance</b>				
Finance (excl. insurance)				
\$ 0– 24,999	16,715	1,194	2,774	3,968
25,000– 99,999	5,294	818	6,243	7,061
100,000– 249,999	2,173	723	4,154	4,877
250,000– 499,999	851	557	2,703	3,260
500,000– 999,999	460	454	2,896	3,350
1,000,000–4,999,999	383	929	6,503	7,432
5,000,000 and over	153	3,668	35,395	39,063
Sub-Total	26,029	8,343	60,668	69,011
Insurance Companies	432	24,694 <sup>2</sup>	5,621	30,315
Total	26,461	33,037	66,289	99,326

<sup>1</sup>See footnote at end of table.

<sup>2</sup>Gross premiums tax.

**Table 10** (continued)

**CORPORATIONS TAXES ASSESSED BY INDUSTRY  
AND GROSS REVENUE CLASSIFICATION**

Fiscal periods ended in 1969

Summary of all Industries by Gross Revenue Classification Excluding Insurance <sup>1</sup>	Units	Capital, Special and Place of Business Taxes	Income Tax	Total Tax
	No.	(Thousands of Dollars)		
\$ 0– 24,999	36,649	2,549	9,500	12,049
25,000– 99,999	17,289	1,803	13,852	15,655
100,000– 249,999	14,587	1,966	19,032	20,998
250,000– 499,999	8,714	1,569	16,953	18,522
500,000– 999,999	5,474	1,527	18,767	20,294
1,000,000–4,999,999	6,115	4,133	58,143	62,276
5,000,000 and over	2,126	16,870	212,889	229,759
Sub-Total	90,954	30,417	349,136	379,553
Insurance Companies	432	24,694	5,621	30,315
Grand Total	91,386	55,111	354,757	409,868
<b>Summary by Industry</b>				
Agriculture, Fishing and Forestry	1,693	232	1,958	2,190
Mining, Quarrying, Oil and Gas Wells	2,524	1,167	9,048	10,215
Manufacturing	14,062	10,158	159,356	169,514
Construction	11,102	2,005	17,259	19,264
Transportation, Storage, Communication and Public Utilities	2,830	3,620	22,775	26,395
Wholesale Trade	7,217	1,501	27,498	28,999
Retail Trade	11,651	1,592	30,114	31,706
Service	13,846	1,799	20,460	22,259
Finance and Insurance	26,461	33,037	66,289	99,326
Grand Total	91,386	55,111	354,757	409,868

<sup>1</sup>"Gross revenue" represents world gross revenue, whereas "Total Tax" represents tax paid to Ontario after allocation of income to other jurisdictions. In some industries where the larger corporations conduct their operations mainly outside of Ontario, the tax paid to Ontario bears no relation to the size of the corporation.

Table 11

## ONTARIO INDIVIDUAL INCOME TAX RETURNS BY INCOME CLASS

Taxation year 1969

All money figures in thousands of dollars

Item	Under \$1,000		\$1,000-\$2,000		\$2,000-\$3,000	
	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns
1 Number of Taxable Returns	18,328	18,328	283,195	283,195	333,536	333,536
2 Number of Non-Taxable Returns		327,539		129,024		33,767
3 Total Number of Returns	18,328	345,867	283,195	412,219	333,536	367,303
4 Number Deducting CPP Contributions	6,641	99,570	215,358	297,640	263,151	289,021
<b>SOURCES OF INCOME</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
5 Wages and Salaries	7,912	156,192	348,798	446,841	627,075	663,789
6 Commissions from Employment	41	879	532	1,833	2,206	3,623
7 Commission Income from Self-Employment	24	96	795	1,563	2,041	2,837
8 Business Income	(156)	(10,662)	8,692	15,772	24,415	36,416
9 Professional Income	(15)	(31)	1,385	2,120	3,008	3,301
10 Farming or Fishing Income	(92)	(25,822)	1,568	6,491	6,832	17,785
11 Rental Income	48	(918)	2,040	3,442	3,846	5,064
12 Superannuation or Pension	47	1,701	9,148	14,410	35,418	39,776
13 Old Age Pension and Supplement and CPP Benefits	105	5,624	33,282	69,265	54,390	60,679
14 Alimony Received	10	151	599	1,007	697	1,115
15 Gross Dividends	139	2,061	4,030	5,953	9,759	10,305
16 Bond Interest	195	2,212	6,027	8,695	12,606	13,330
17 Bank Interest	281	7,434	17,984	26,673	36,564	39,526
18 Annuity Income		86	584	823	1,505	1,682
19 Estate Income	16	329	1,912	2,346	3,239	3,366
20 Mortgage Interest	48	1,776	3,796	6,091	9,742	11,098
21 Other Canadian Investment Income	5	74	60	147	164	192
22 Foreign Investment Income	8	63	155	190	390	419
23 Miscellaneous Income	48	1,456	1,520	2,453	3,726	4,099
24 Total Income Assessed	8,665	142,699	442,907	616,116	837,625	918,400
<b>EXEMPTIONS AND DEDUCTIONS</b>						
25 Personal Exemptions	8,119	367,387	289,929	482,290	394,871	479,209
26 Canada Pension Plan Contributions	22	505	3,648	4,856	9,044	10,212
27 Registered Pension Fund Contributions	14	284	580	768	2,049	2,199
28 Retirement Savings Plan Premiums	4	50	62	145	198	208
29 Standard Deductions	1,346	33,990	26,616	38,831	29,748	32,666
30 Medical Claims	37	255	2,390	4,229	6,265	9,108
31 Charitable Donations		13	1,064	1,560	3,403	3,787
32 Union and Professional Dues	9	191	593	885	1,728	1,813
33 Alimony Paid		92	9	48	109	307
34 Tuition Fees	85	4,039	7,200	18,169	9,017	9,656
35 Business Losses of Other Years	1	100	16	209	64	446
36 Deductions from Investment Income	1	188	71	255	158	279
37 Deductible Exp. of Employment	7	183	117	564	471	1,192
38 Other Deductions	1	494	165	796	456	1,328
39 Total Exemptions and Deductions	9,646	407,771	332,458	553,600	457,573	552,404
40 Taxable Income Assessed	3,733	3,768	111,253	111,412	380,310	380,624
<b>TAX PAYABLE</b>						
41 Federal Tax Payable	454	454	6,917	6,917	26,075	26,075
42 Provincial Tax Payable	204	204	3,388	3,388	12,134	12,134
43 Social Development Tax Payable	65	65	2,078	2,078	7,432	7,432
44 Old Age Security Tax Payable	136	136	4,320	4,320	15,059	15,059
45 Total Tax Payable	858	858	16,703	16,703	60,701	60,701
46 Canada Pension Plan Contributions by Individuals	185	671	3,724	4,929	9,053	10,222
47 Basic Tax	748	752	12,448	12,452	43,779	43,805
48 Surtax	6	6	16	16	21	21
49 Dividend Tax Credit	13	26	354	361	1,271	1,271
50 Foreign Tax Credit	1	1	8	15	30	66
51 Taxable Lump Sum Payments	909	1,010	1,772	1,798	3,824	3,824
52 Tax Payable on Lump Sum Payments	88	101	214	214	444	444

Table 11 (continued)

## ONTARIO INDIVIDUAL INCOME TAX RETURNS BY INCOME CLASS

Taxation year 1969

All money figures in thousands of dollars

\$3,000-\$4,000		\$4,000-\$5,000		\$5,000-\$6,000		\$6,000-\$7,000		Item
Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	
366,854	366,854	351,617	351,617	334,297	334,297	321,830	321,830	1
	10,516		2,842		1,293		662	2
366,854	377,370	351,617	354,459	334,297	335,590	321,830	313,492	3
319,427	328,832	326,026	328,461	316,582	317,458	311,764	312,085	4
\$	\$	\$	\$	\$	\$	\$	\$	
1,046,028	1,062,604	1,364,914	1,371,195	1,621,604	1,625,518	1,900,371	1,902,537	5
5,705	6,859	6,361	7,066	13,523	13,799	17,138	17,584	6
2,954	3,246	4,038	4,421	3,860	3,895	4,277	4,286	7
41,390	47,374	48,008	49,540	49,709	50,213	48,651	48,750	8
3,361	3,693	4,550	4,735	5,224	5,237	4,188	4,202	9
9,863	17,819	9,759	12,039	12,378	13,764	9,807	10,825	10
4,210	3,929	2,617	2,498	2,503	2,527	1,435	1,439	11
45,681	46,320	36,554	36,704	32,996	33,060	23,532	23,561	12
39,943	40,751	24,627	24,869	18,706	18,798	10,892	10,958	13
2,886	2,903	2,082	2,082	2,991	2,991	1,403	1,410	14
10,560	10,850	10,379	10,562	10,566	10,655	11,352	11,499	15
13,477	13,817	11,705	11,875	12,705	12,761	10,937	11,026	16
37,946	38,705	30,416	30,572	29,863	29,986	26,614	26,679	17
1,891	1,966	1,230	1,244	1,400	1,408	869	874	18
2,939	3,018	3,719	3,818	4,504	4,600	3,570	3,633	19
10,723	11,147	11,880	11,949	10,357	10,425	7,503	7,528	20
393	395	513	564	431	436	584	585	21
666	864	510	577	849	873	828	833	22
3,416	3,671	3,587	3,628	4,004	4,251	3,863	3,867	23
1,284,032	1,319,931	1,577,448	1,589,937	1,838,174	1,845,196	2,087,811	2,092,074	24
474,940	508,374	495,949	505,941	524,011	527,839	555,061	556,463	25
16,677	17,374	22,787	23,018	26,193	26,294	26,171	26,211	26
5,928	6,012	11,487	11,546	19,746	19,775	29,721	29,725	27
496	536	1,078	1,092	2,254	2,257	2,694	2,699	28
32,262	33,089	30,555	30,764	28,338	28,434	26,903	26,953	29
8,485	10,319	9,042	9,925	10,210	10,811	10,960	11,365	30
5,196	5,537	6,026	6,137	8,010	8,052	8,698	8,727	31
3,304	3,356	4,840	4,873	7,118	7,135	9,657	9,661	32
581	609	593	614	1,469	1,484	1,830	1,830	33
4,300	4,354	3,402	3,409	3,230	3,239	3,211	3,212	34
114	653	129	317	202	536	445	728	35
330	466	416	569	718	749	668	827	36
2,330	3,122	2,918	3,465	5,255	5,404	7,339	7,652	37
695	1,496	1,208	1,312	1,692	2,537	2,051	2,064	38
555,628	595,287	590,419	602,970	638,434	644,531	685,393	688,100	39
728,426	729,058	987,001	987,953	1,199,716	1,201,244	1,402,377	1,404,189	40
61,078	61,078	94,489	94,489	126,148	126,148	158,930	158,930	41
25,903	25,903	38,346	38,346	50,096	50,096	62,240	62,240	42
14,378	14,378	19,553	19,553	23,819	23,819	27,876	27,876	43
28,971	28,971	39,313	39,313	47,829	47,829	55,942	55,942	44
130,330	130,330	191,702	191,702	247,893	247,893	304,989	304,989	45
16,671	17,367	22,761	22,992	26,171	26,272	26,153	26,193	46
93,042	93,081	137,563	137,640	179,555	179,732	223,100	223,347	47
689	689	1,943	1,944	3,247	3,251	4,621	4,627	48
1,686	1,687	1,717	1,717	1,761	1,761	1,893	1,893	49
129	171	137	235	309	550	546	880	50
6,372	6,372	6,676	6,686	7,642	7,642	5,800	5,800	51
753	753	829	829	952	952	727	727	52

Table 11 (continued)

## ONTARIO INDIVIDUAL INCOME TAX RETURNS BY INCOME CLASS

Taxation year 1969

All money figures in thousands of dollars

Item	\$7,000-\$8,000		\$8,000-\$9,000		\$9,000-\$10,000	
	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns
1 Number of Taxable Returns	273,832	273,832	205,298	205,298	144,648	144,648
2 Number of Non-Taxable Returns		502		523		313
3 Total Number of Returns	273,832	274,334	205,298	205,821	144,648	144,961
4 Number Deducting CPP Contributions	266,568	266,762	200,113	200,210	140,705	140,748
<b>SOURCES OF INCOME</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
5 Wages and Salaries	1,868,419	1,870,880	1,574,317	1,577,877	1,221,162	1,223,473
6 Commissions from Employment	22,275	22,512	22,415	22,671	23,271	23,290
7 Commission Income from Self-Employment	3,654	3,659	3,278	3,278	3,372	3,372
8 Business Income	44,969	45,075	41,648	41,712	37,033	37,072
9 Professional Income	4,145	4,153	4,123	4,124	5,225	5,225
10 Farming or Fishing Income	10,769	11,481	7,463	7,906	7,559	7,868
11 Rental Income	2,786	2,790	3,297	3,304	3,226	3,226
12 Superannuation or Pension	18,354	18,371	14,340	14,350	11,931	11,963
13 Old Age Pension and Supplement and CPP Benefits	7,852	7,877	5,363	5,375	3,430	3,458
14 Alimony Received	1,118	1,118	3,256	3,262	1,957	1,957
15 Gross Dividends	11,211	11,254	11,445	11,467	11,338	11,404
16 Bond Interest	9,704	9,727	8,764	8,772	7,528	7,535
17 Bank Interest	23,799	23,841	19,885	19,901	15,921	15,934
18 Annuity Income	1,136	1,137	1,100	1,103	901	908
19 Estate Income	3,070	3,107	2,962	2,982	3,577	3,711
20 Mortgage Interest	8,614	8,644	8,762	8,771	7,763	7,769
21 Other Canadian Investment Income	663	663	321	321	527	530
22 Foreign Investment Income	563	584	866	868	609	614
23 Miscellaneous Income	4,265	4,270	3,602	3,602	2,735	2,736
24 Total Income Assessed	2,047,365	2,051,139	1,737,207	1,741,645	1,369,065	1,372,046
<b>EXEMPTIONS AND DEDUCTIONS</b>						
25 Personal Exemptions	510,304	511,262	404,339	405,238	294,423	295,066
26 Canada Pension Plan Contributions	22,419	22,446	16,868	16,882	11,926	11,933
27 Registered Pension Fund Contributions	31,353	31,365	30,150	30,152	25,358	25,364
28 Retirement Savings Plan Premiums	2,998	3,004	3,796	3,800	3,118	3,118
29 Standard Deductions	22,329	22,367	16,201	16,239	11,034	11,060
30 Medical Claims	10,021	10,247	7,872	7,993	5,899	6,019
31 Charitable Donations	8,520	8,540	8,530	8,539	7,163	7,173
32 Union and Professional Dues	10,416	10,422	7,804	7,809	5,427	5,434
33 Alimony Paid	1,675	1,676	1,994	1,999	2,191	2,205
34 Tuition Fees	2,744	2,745	2,059	2,060	1,789	1,790
35 Business Losses of Other Years	239	447	59	212	114	237
36 Deductions from Investment Income	792	808	698	698	927	928
37 Deductible Exp. of Employment	8,377	8,650	8,088	8,318	7,697	7,708
38 Other Deductions	3,257	3,450	3,656	5,347	3,545	3,788
39 Total Exemptions and Deductions	635,429	637,414	512,103	515,274	380,600	381,814
40 Taxable Income Assessed	1,411,896	1,413,869	1,225,071	1,226,635	988,438	990,299
<b>TAX PAYABLE</b>						
41 Federal Tax Payable	170,596	170,596	156,208	156,208	133,047	133,047
42 Provincial Tax Payable	66,186	66,186	60,217	60,217	51,111	51,111
43 Social Development Tax Payable	27,814	27,814	22,968	22,968	16,988	16,988
44 Old Age Security Tax Payable	55,759	55,759	45,996	45,996	33,993	33,993
45 Total Tax Payable	320,355	320,355	285,390	285,390	235,140	235,140
46 Canada Pension Plan Contributions by Individuals	22,406	22,433	16,847	16,860	11,927	11,934
47 Basic Tax	237,049	237,336	215,932	216,182	183,113	183,444
48 Surtax	5,344	5,352	5,152	5,158	4,560	4,568
49 Dividend Tax Credit	1,885	1,885	1,982	1,982	1,998	1,998
50 Foreign Tax Credit	512	895	703	1,028	795	1,213
51 Taxable Lump Sum Payments	6,852	6,852	4,438	4,438	3,657	3,657
52 Tax Payable on Lump Sum Payments	1,002	1,002	621	621	557	557



Table 11 (continued)

# ONTARIO INDIVIDUAL INCOME TAX RETURNS BY INCOME CLASS

Taxation year 1969

All money figures in thousands of dollars

\$10,000-\$15,000		\$15,000-\$25,000		\$25,000 and over		Grand total		Item
Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns	
262,993	262,993 768	86,506	86,506 198	33,599	33,599 65	3,016,533	3,016,533 508,012	1 2
262,993	263,761	86,506	86,704	33,599	33,664	3,016,533	3,524,545	3
252,944	253,039	80,539	80,595	30,231	30,267	2,730,049	2,944,688	4
\$	\$	\$	\$	\$	\$	\$	\$	
2,611,424	2,619,248	1,120,164	1,122,303	623,710	624,606	15,935,897	16,267,063	5
81,836	81,854	77,908	77,908	72,275	72,309	345,486	352,187	6
14,992	15,003	13,978	13,978	7,191	7,191	64,453	66,825	7
128,808	128,881	87,554	87,866	50,989	51,071	611,709	629,081	8
29,572	29,549	87,129	87,212	356,329	356,383	508,224	509,904	9
25,743	26,601	16,421	16,835	4,188	4,330	122,258	127,921	10
12,301	12,287	10,619	10,643	11,785	11,663	60,712	61,893	11
32,004	32,029	19,615	19,637	12,476	12,479	292,094	304,359	12
8,096	8,112	4,469	4,482	2,857	2,858	214,011	263,106	13
1,645	1,645	977	977	498	498	20,118	21,115	14
45,284	45,375	54,569	54,696	126,309	126,817	316,939	322,897	15
21,681	21,721	17,520	17,743	23,870	23,910	156,719	163,124	16
43,725	43,750	31,088	31,131	44,304	44,854	358,392	378,983	17
2,798	2,799	2,427	2,428	2,390	2,394	18,232	18,852	18
12,003	12,068	14,642	14,710	22,248	22,248	78,400	79,933	19
21,559	21,573	18,558	18,570	21,576	21,597	140,884	146,937	20
1,842	1,843	2,821	2,854	9,160	9,170	17,482	17,775	21
2,890	2,936	3,782	3,814	12,074	12,822	24,190	25,454	22
9,267	9,276	7,244	7,247	6,314	6,314	53,593	56,871	23
3,107,469	3,116,551	1,591,487	1,595,034	1,410,542	1,413,513	19,339,794	19,814,279	24
566,805	568,546	195,784	196,259	76,607	76,731	4,791,140	5,480,605	25
21,976	21,991	7,402	7,411	3,203	3,205	188,337	192,336	26
63,085	63,099	36,553	36,559	14,610	14,610	270,635	271,457	27
17,152	17,165	19,205	19,257	23,474	23,490	76,528	76,819	28
17,876	17,934	4,320	4,333	1,019	1,023	248,545	297,683	29
13,753	14,040	5,387	5,637	3,383	3,383	93,704	103,331	30
23,013	23,057	18,204	18,227	23,988	24,046	121,814	123,393	31
8,886	8,919	2,163	2,170	462	462	62,408	63,130	32
5,610	5,627	4,593	4,951	4,694	4,734	25,347	26,176	33
3,138	3,140	723	723	200	201	41,095	56,737	34
546	957	556	951	587	806	3,070	6,600	35
3,117	3,157	5,665	5,787	18,234	19,694	31,797	34,405	36
27,881	27,913	21,179	21,199	14,127	14,171	105,788	109,539	37
6,762	7,609	2,199	2,223	3,580	4,102	29,268	36,546	38
779,567	783,120	323,927	325,681	188,144	190,633	6,089,320	6,878,599	39
2,327,833	2,333,583	1,267,494	1,269,418	1,222,341	1,223,072	13,255,890	13,275,124	40
350,410	350,410	248,028	248,028	356,208	356,208	1,888,589	1,888,589	41
133,777	133,777	93,775	93,775	133,702	133,702	731,080	731,080	42
31,397	31,397	10,363	10,363	4,029	4,029	208,760	208,760	43
62,796	62,796	20,725	20,725	8,059	8,059	418,901	418,901	44
578,380	578,380	372,891	372,891	501,997	501,997	3,247,329	3,247,329	45
21,967	21,982	7,392	7,401	3,199	3,202	188,457	192,456	46
480,774	481,904	337,536	338,011	480,334	480,745	2,624,972	2,628,432	47
12,726	12,756	9,568	9,581	14,193	14,205	62,084	62,172	48
8,275	8,276	10,231	10,231	23,153	23,154	56,219	56,241	49
4,418	5,775	3,914	4,447	3,880	3,807	14,882	19,083	50
10,045	10,045	6,311	6,311	1,666	1,666	65,962	66,100	51
1,596	1,596	1,395	1,395	531	531	9,708	9,721	52

Table 12

# ONTARIO INDIVIDUAL INCOME TAX RETURNS BY OCCUPATION

Taxation year 1969

All money figures in thousands of dollars

Item	Number		Total Income Assessed		Exemptions and Deductions	
	Taxable Returns	All Returns	Taxable Returns	All Returns	Taxable Returns	All Returns
1 Employees of Business	1,932,153	2,204,901	12,175,289	12,417,363	3,854,871	4,229,480
2 Employees of Institutions	179,183	208,161	874,303	899,927	289,367	328,337
3 Teachers and Professors	114,066	119,343	931,398	939,895	251,227	262,246
4 Federal Employees	101,673	111,933	789,328	796,282	236,599	249,454
5 Provincial Employees	98,930	106,210	707,047	714,351	216,583	228,345
6 Municipal Employees	117,130	128,657	785,037	794,641	260,296	275,941
7 Unclassified Employees	47,482	59,011	198,985	210,569	72,740	89,211
8 Total Employees	2,590,617	2,938,216	16,461,386	16,773,029	5,181,683	5,663,014
9 Farmers	38,590	74,054	222,251	259,102	95,847	184,091
10 Fishermen	319	470	1,958	2,221	716	1,092
11 Total Farmers and Fishermen	38,909	74,524	224,209	261,323	96,563	185,183
12 Accountants <sup>1</sup>	2,001	2,029	38,076	38,070	7,674	7,719
13 Medical Doctors and Surgeons	6,893	6,937	247,623	247,669	34,536	34,619
14 Dentists	2,271	2,317	55,308	55,337	9,347	9,441
15 Lawyers and Notaries	3,745	3,783	116,084	116,096	16,638	16,707
16 Engineers and Architects	835	943	19,539	19,351	3,258	3,496
17 Entertainers and Artists	2,899	3,873	18,719	19,453	5,703	7,068
18 Other Professionals	5,237	6,136	49,063	50,050	12,342	13,917
19 Total Professionals	23,881	26,018	544,413	546,057	89,498	92,967
20 Salesmen	8,493	10,428	66,629	68,742	21,057	24,676
21 Forestry Operators	501	852	3,319	3,674	1,315	2,095
22 Manufacturers	4,475	5,618	34,927	35,974	11,110	13,627
23 Construction	19,486	23,699	137,229	143,202	49,824	59,800
24 Public Utilities	8,356	11,406	49,007	53,814	19,692	26,823
25 Wholesale Traders	3,240	3,875	28,861	29,271	8,580	9,945
26 Retail Traders	37,757	46,543	277,615	285,785	94,270	113,600
27 Insurance Agency Operators	1,147	1,212	12,427	12,490	3,272	3,393
28 Real Estate Agency Operators	1,204	1,367	14,325	14,248	3,465	3,887
29 Other Finance	867	1,002	22,201	22,210	3,191	3,478
30 Recreational Service Operators	1,378	1,715	10,269	10,604	3,461	4,142
31 Business Service Operators	1,393	1,578	10,043	10,129	3,066	3,344
32 Other Service Operators	26,902	34,804	157,272	165,520	58,380	74,100
33 Other Business Proprietors	1,352	1,816	9,699	10,421	3,414	4,793
34 Total Business Proprietors	108,058	135,487	767,194	797,342	263,039	323,027
35 Investors	106,437	132,332	706,240	728,374	190,749	232,316
36 Property Owners	20,326	28,000	139,410	146,786	40,953	53,970
37 Total Investment	126,763	160,332	845,650	875,160	231,702	286,286
38 Pensioners	113,971	155,360	403,000	462,557	194,868	269,906
39 Unclassified	5,841	24,180	27,314	30,070	10,910	33,539
40 Grand Total	3,016,533	3,524,545	19,339,794	19,814,279	6,089,320	6,878,599

Table 12 (continued)

## ONTARIO INDIVIDUAL INCOME TAX RETURNS BY OCCUPATION

Taxation year 1969

All money figures in thousands of dollars

Canada Pension Plan Contributions by Individuals		Taxable Income Assessed		Tax Payable					Item
Taxable Returns	All Returns	Taxable Returns	All Returns	Federal	Provincial	Old Age Security	Social Development	Total	
123,555	125,057	8,323,483	8,336,855	1,139,205	442,533	275,014	137,059	1,993,811	1
10,212	10,359	585,188	586,295	70,080	27,651	20,926	10,415	129,071	2
8,318	8,342	680,257	680,410	99,385	38,114	20,719	10,340	168,559	3
7,326	7,372	552,771	552,773	80,392	30,556	17,145	8,552	136,645	4
7,034	7,103	490,501	490,510	67,151	25,914	16,198	8,079	117,342	5
8,266	8,334	524,874	524,920	67,161	26,079	18,668	9,308	121,216	6
2,300	2,378	126,311	126,974	14,147	5,679	4,590	2,282	26,698	7
167,011	168,945	11,283,384	11,298,737	1,537,521	596,525	373,261	186,034	2,693,342	8
3,652	4,764	126,735	129,586	16,460	6,362	3,828	1,905	28,556	9
36	41	1,242	1,246	164	64	38	19	286	10
3,688	4,805	127,977	130,832	16,624	6,426	3,866	1,924	28,842	11
297	298	30,400	30,400	7,168	2,612	422	211	10,413	12
1,022	1,022	213,083	213,099	62,664	23,462	1,606	803	88,536	13
338	339	45,960	45,960	11,620	4,361	517	258	16,756	14
570	570	99,443	99,443	28,128	10,543	871	435	39,977	15
123	124	16,305	16,318	4,412	1,654	178	89	6,332	16
266	275	13,016	13,033	2,091	819	339	169	3,418	17
559	575	36,729	36,741	7,294	2,762	759	378	11,193	18
3,174	3,203	454,936	454,994	123,375	46,214	4,692	2,344	176,626	19
927	973	45,584	45,584	7,527	2,881	1,186	592	12,186	20
51	63	2,014	2,014	312	122	55	27	516	21
540	572	23,843	23,878	4,070	1,555	635	316	6,576	22
2,455	2,607	87,451	87,460	13,129	5,057	2,602	1,297	22,086	23
872	995	29,390	29,390	4,116	1,606	912	454	7,088	24
391	408	20,283	20,293	3,712	1,414	488	244	5,858	25
4,480	4,745	183,453	183,481	28,484	10,951	5,306	2,645	47,386	26
152	154	9,155	9,155	1,659	629	208	104	2,601	27
141	144	10,859	10,859	2,135	808	220	110	3,273	28
93	95	19,009	19,009	6,178	2,205	168	84	8,635	29
153	162	6,808	6,808	1,086	417	191	95	1,789	30
169	171	6,977	6,977	1,069	411	200	100	1,779	31
2,789	2,984	98,941	98,982	14,867	5,759	2,976	1,482	25,084	32
163	181	6,285	6,293	994	383	178	89	1,644	33
12,449	13,280	504,469	504,599	81,811	31,318	14,140	7,047	134,315	34
458	465	515,831	516,543	78,718	30,731	11,452	5,704	126,606	35
518	547	98,503	98,524	18,317	7,013	2,286	1,138	28,754	36
976	1,012	614,334	615,067	97,035	37,744	13,739	6,842	155,360	37
181	183	208,433	208,507	22,322	9,035	7,505	3,722	42,584	38
51	56	16,772	16,804	2,372	937	512	254	4,075	39
188,457	192,456	13,255,890	13,275,124	1,888,589	731,080	418,901	208,760	3,247,329	40



























